What Industrial Leaders Think on Wages

Largest Circulation of Any Canadian Financial Paper

THE FINANCIAL POST

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Canadian Mining News Department Page 20

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The Nation's Business

How Can Canada Help to End Depression?
Washington and London Begin at Home
We Might Follow

Reconstruction Begins at Home

MOST Canadian eyes are at the moment shifting quickly between Washington and London, trying to watch Mr. Hoover's plan for constructive action to stem the liquidation panic in that country and trying also to prejudge the results and possible consequences of a British election. What happens in London and what happens in Washington will influence very directly our position in Canada and business men are wise to keep themselves informed as far as they are able. But it will be noted that the British government's recent policy has been largely directed to strengthening the British position while the plans that Mr. Hoover has just announced deal more with the domestic than with the international situation. Britain's best contribution to the relief of the economic crisis is to put her own affairs in order. The United States, if it can stop the unravelling of its banking garment by sewing up a few of the dropped stitches will put private and semi-private banking in better shape to create credit that will help other countries.

The contribution that may logically be expected of Canada is the same; to put in order those situations that are largely domestic and within our own control. We cannot single handed end the crisis but we can play an important rôle.

* * *

MR. HOOVER'S plan in brief is to stem the rising tide of banking failures in the United States and to stop the outpouring upon broken security markets of the flood of ordinarily good banking collateral that panic-stricken banks and investors are dumping at any price. This is no way to end depression or deflation but it should help to prevent the mild panic from becoming an intense one and it will undoubtedly provide important relief if not despoiled by politicians or by delay. Mr. Hoover is an expert in flood control and he apparently realizes that he has a job on his hands that is not unlike his Mississippi River control, namely to direct the flow of securities so that it shall not become a turbulent flood tearing at and bringing down financial institutions right and left. His policies are yet to be tested but it may be said that if Hoover's conference had been held two weeks earlier the Montreal brokerage failures could have been postponed and thus possibly averted, for the concerns, whatever the long term causes of their downfall, are immediately the victims of a combination of the Canadian dollar and the panicky rush to liquidity of American banks.

Our bond market, too, has been shaken by the wide-scale American liquidation. If Mr. Hoover can stop this he can give finance a breathing spell to gather strength for the upward climb.

* * *

TURNING to London, it seems obvious that the election is a constructive, because a necessary, move. The temper of the British people is such that no Government can carry on without a popular mandate. The election will be a clear fight—in the main—between the groups that have been ignored by British economic policies in the post-war years—industry and trade and the real workers—and the more radical and theoretical groups, and these, strangely enough include both those who adhere to old shibboleths and those who have brand new panaceas. The election should serve to put in power a Government that knows where it is going and what it is empowered to do. If it is the new National Government some constructive policies for trade recovery may be anticipated. London, like Washington, is starting its reconstruction at home, while keeping an eye on international matters.

That is something for us in Canada to consider; are we doing all we can to bring back prosperity?

* * *

IT IS AMAZING how slowly it is dawning upon the rank and file of the leaders of public opinion in Canada—luncheon club speakers, politicians and newspaper editors, for example—that the economic crisis is very real. The softer adjectives that have been used to describe the economic situation have not helped to stem the tide nor even to avert the growth of a psychology of fear, which is the most obvious symptom of panic. We have evidence of this failure to realize the gravity of our position in the continued demands of various groups for new and expensive public works or other favors to be paid for from public funds; in the continuance of propaganda for "non-interference" in the administration of the Canadian National Railways; even in Prime Minister Bennett's insistence that Canada is on the gold standard when every one of his schemes to restore the dollar has fallen through.

* * *

CONSIDER the Canadian National position, for instance. Many newspapers are trying to arouse unfavorable sentiment against the Government because it has been

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NO STATUTE BACKS ORDER ON IMPORTS

But Bennett Acts to Aid Canadian Plants Against Dumping

ORDERS-IN-COUNCIL

Three Passed, One of Which Was Rescinded When Manufacturers Raised Objections

From Our Own Correspondent

OTTAWA.—Out of the confusion caused by the decline of the British pound, the Federal Government has decreed that all imports from Britain shall enter this country on the basis of par value. So far as Canada is concerned, there has been no depreciation of the pound.

While the solution of the British trade problem is fairly simple, the week prior to the decision was one of unimaginable confusion at the Capital. The cabinet was besieged by Canadian manufacturers, chiefly the textile group, for relief from British competition under the depreciated pound. There were three orders-in-council, in all, one of them contradictory of the other two, but the net result has been to steady the importation situation at the expense of importers, to dismiss one set of petitioners and to announce another.

In The Financial Post of last week, the situation produced by the fall of the pound was dealt with, and the statement was made that the depreciation of British currency threw this country open to goods manufactured in all the depreciated currency nations of the world. It was said, moreover, that there was nothing in our statutes to empower the Government to deal with the resultant confusion.

First Order Cancelled

Taking the orders-in-council in sequence, the first of them declared that the value of British goods for duty purposes must be the quoted price at current rates of exchange. In other words, the Government confessed its impotence to correct the situation produced by the fall of the pound.

Immediately there was a drive on Ottawa by the textile manufacturers for immediate action. They were in no doubt as to what the fall of the pound would mean to them.

It appears that the large Canadian departmental stores, and merchandising houses, had got quotations on British goods on the current exchange rates, and had presented these quotations to Canadian textile manufacturers. The quotations were very much lower than the prices in prevailing contracts. In effect, the Canadian buyers said to the Canadian manufacturers, "Meet these prices or we will cancel existing contracts and order from Britain." An answer was demanded within a limited space of time.

The Canadian manufacturers contended that they could not meet this price cut and remain in business, and requested the Government to take suitable action to prevent under-selling from Great Britain. The Government, faced with what appeared to be a crisis, rescinded the first order-in-council and issued two new orders. The first declared that the tariff on British goods should be calculated on the par value of the pound, and the second imposed the dump duty to bring the value up to par.

In taking this action, it is understood, the Government did not rely upon any statutory authority. The orders do not cite any statute. The Government, apparently, considered the situation critical and, regardless of enabling statutes, took such action as was deemed to be in the public interest.

While the manufacturers are quite satisfied with what has been done, the importers are up in arms, and are now demanding that both orders be rescinded. Likewise the Liberal party, under Rt. Hon. W. L. M. King, is attacking the Government's action upon the ground that it is an infringement of the power of parliament, that the Government must confine itself to the statutes.

Meantime, the Government is addressing itself to the problem of dealing with the depreciated currencies of other countries, and further orders-in-council will issue in the immediate future. It is understood that substantially the same policy will be followed in regard to these countries, as was laid down in connection with Great Britain.

Coming in The Post

This week The Financial Post publishes the first of a series of articles outlining the policies of leading Canadian firms in handling the currently important question of wage adjustments. The articles will continue for some weeks and will present many facts and opinions useful for the guidance of business men and leaders of organized labor.

Next week's article will show what has actually been done in many plants.

Coming shortly in The Financial Post is a series of articles on the operations of loan sharks, who prey on white collar workers in a time of depression like the present. The extent of the operations of usurious lenders will amaze many readers as they study the facts that will be presented.

Humberstone Shoe Operates at Capacity

Operations of Humberstone Shoe Co. are understood to be on better than a full-time basis and plant extensions that have been contemplated for some time are still held up due to the rush of business. The present output of the company since the first of the current fiscal year is in excess of that for the same period in 1930.

The quarterly dividend payable November 1 has been increased from 50 cents to 60 cents a share placing the 20,000 shares of common stock on an annual basis of $2.40. Earnings in the fiscal year ended July 31 amounted to $3.47 per share.

At the annual meeting held on October 5, the directors were all re-elected. Prospects for the future were regarded as satisfactory and the company is introducing several new lines of footwear that are expected to command a good market.

BANKERS' CABAL BLAMED FOR FALL OF BRITISH TRADE

Arthur Kitson Criticizes MacMillan Bank Report

A strong condemnation of British post-war banking policy appears in the current issue of the National Review, London, from the pen of Arthur Kitson, British industrialist and writer on economic subjects. Mr. Kitson charges that international bankers have dominated British banking policy to aid in the ruin of British trade and he assails as inadequate the recommendations of the MacMillan commission which recently studied Britain's monetary system. The recommendations of that commission, instead of being calculated to promote commerce and the employment of labor, are, asserts Mr. Kitson, simply that Great Britain should continue to limit her trade and output to the currency facilities which the Bank of England and its international affiliations are willing to provide as heretofore.

Mr. Kitson is chairman and managing director of the Kitson Engineering Company of London. He is known as the inventor of the Kitson light, now used in all British lighthouses. He has written extensively on currency and monetary problems and published in 1918 a criticism of the Cunliffe Currency Committee report.

Awe Felt in Bank

The MacMillan committee report fails to suggest any satisfactory remedy for industrial depression and unemployment because of the belief in the minds of the members of the committee that the present British financial system under the control of the Bank of England is about as perfect as could be devised, says Mr. Kitson.

Mr. Kitson blames currency deflation and the resumption in 1925 of the gold standard for Britain's present economic troubles. He says:

"There is a widespread belief, based upon irrefutable evidence, that the present era of trade depression and unemployment with which this country has been so grievously afflicted for the past ten years, has been the direct result of the policy of currency deflation, inaugurated by the Coalition Government under Mr. Lloyd George and pursued by successive Administrations, culminating in the re-establishment of the Gold Standard under Mr. Winston Churchill's Chancellorship.

"This financial policy is responsible for: (1) The increase in our burden of War Debts, which has added enormously to our burden of taxation. (2) The reduction of the effective demand for goods—by reducing the volume of the public's purchasing power. (3) The reduction of wages and salaries which has further reduced the demand for goods. (4) The destruction of all enterprises. (5) Reduction of the level of prices—in many instances below the costs of production. (6) The ruin of our former stable industries. (7) A vast increase in the unemployed and the number of bankruptcies and suicides. To these may be added (8) An increase in crime."

Same In Other Lands

Similar evils in other countries, particularly the United States and Germany are directly traceable says Mr. Kitson, to similar currency deflation policies pursued in those countries, in accordance with the recommendations of the bankers' conferences instituted by the League of Nations at Brussels in 1920 and in Genoa in 1922 and also by the meetings of the international bankers in New York, London and Berlin.

Mr. Kitson quotes from a speech by Senator Pine, of Oklahoma, who charged that assumption of control of credit policy by a group of big American bankers, headed by Federal Reserve board officials, had put American business in a straight jacket. Mr. Kitson says:

"Last year the Federal Reserve Banks of the U. S. A. contracted their note issues to the extent of over $500,000,000 which involved the contraction of bank credits by more than $6,000,000,000—which was sufficient to create all the industrial disasters and unemployment from which that great country is still suffering."

Lost Power of Initiative

Quoting the opinion of the MacMillan committee that the Bank of England must play safe and not attempt to increase the total volume of credit in Britain, because of international complications, Mr. Kitson says that this means that

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PARAMOUNT OPERATIONS SHOW PROFIT

Films Sent to Canada Are Paid for in Canadian Funds

HEAVY PAYMENTS

Obliged to Pay $80 to Buy Own Stock—Banks Aiding and Cash Dividends Omitted

Many holders of Paramount-Publix Corp. stock in Canada will be interested in the news from New York City that theatre receipts have once again begun to take a turn upward. The stock, which the company itself valued in certain purchase contracts at 80, has been down around 14, indicating considerable uneasiness as to the earning position since the company began to pay stock instead of cash dividends.

It is now stated that theatre expenses have been greatly reduced and that the company is operating substantially in the black.

The principal current hurdle is that Paramount obligated itself to buy at $80 a share stock which it used to pay for various properties. The amount necessary to pay for various lots of its common stock on September 1 of this year, December 1, 1931, and April 1, 1932, is about $11,500,000. The company recently increased its bank debt to $8,250,000 to take up the block for which it was obligated in the early part of September. Earnings are on such a basis that it was able to reduce this bank debt by October 1 to $7,400,000. It is expected that in the last quarter the reductions will take the total down to $6,000,000. That is what is normal for this company.

Still $6,500,000 to Pay

In the first quarter of 1932, however, Paramount-Publix will have to pay the remaining $6,500,000 for its purchase of stock. That will be accomplished, doubtless, by increasing bank loans to about $10,000,000 and some excess cash arising from the depreciation, accounts and profits during the first quarter. It is reported that Paramount has more than $18,000,000 of confirmed lines of bank credit to take care of these commitments. Other debts of the company, outside of the stock obligations, are normal, and it is believed to be the policy of the company to reduce bank loans rapidly after these obligations are cancelled.

Though theatre receipts generally in Canada and the United States have been lower than in times of prosperity, Paramount has in part met this situation by the fact that film releases in the last half year have been considerably lower in cost than in the same period a year ago. It is stated that the average negative cost of films released in September, October and November, 1931, is about 20 per cent less than the average cost of releases in the same months of 1930 as a result of production savings made. Other economies in production, distribution and theatre departments will make their influences felt in 1932.

Pays Stock Dividend

By the exchange of shares of Paramount-Publix for shares of Famous Players Canadian Corp. in 1930 on a basis of four Paramount shares for five shares Famous Players Canadian Corp., the company has obtained to date 96 per cent control of the Canadian company. When it had 90 per cent control it was stated that the result of the exchange was that there were 2,600 holders of Paramount in Canada. That makes a large Canadian interest affected by the decision during the last quarter to change from a cash dividend rate of $2.50 a share annually on the common stock to a stock dividend rate of 10 per cent. At present market rates for the stock this constitutes a considerable reduction, but until the company has paid its stock purchase obligations at $80 a share from current obligations and bank loans and reduced the bank loans once again to a

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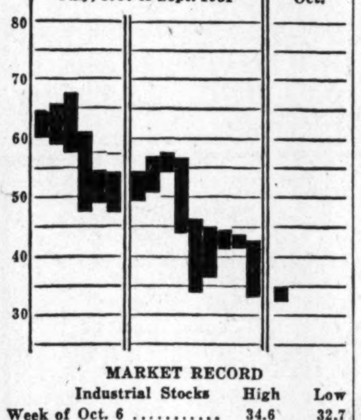
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Oct. 6	34.6	32.7
Week of Sept. 29	35.4	33.8
Month of Oct., 1930	60.7	48.4
8 Bank Stocks		
Week of Oct. 6	216	216
Week of Sept. 29	217	216
Month of Oct., 1930	258	246
10 Public Utilities		
Week of Oct. 6	58	55
Week of Sept. 29	59	57
Month of Oct., 1930	91	89

WRIGHT-HAR. DISCRIMINATES ON DIVIDENDS

Pays South of Line in U. S. Funds and Canadian Funds Here

3,000 FT. LEVEL RICH

Developments Indicate Number of Ore Sections—May Mine as One

Wright-Hargreaves Mines paid a 2½ cents per share dividend on October 1 to shareholders of record September 15. In so doing the company has raised the ire of the Canadian shareholders because the distribution to them was made in Canadian funds while the distribution to the United States shareholders was made in United States funds, at present at a premium of from 10 to 15 per cent.

Canadian shareholders feel that they have been discriminated against, particularly as the funds to meet the Canadian dividend cheques were only transferred to Canada a few days previously, at which time the company reaped full benefit of the exchange.

This act of discrimination by Wright-Hargreaves officials between its U. S. and Canadian shareholders is keenly felt at the present time because last week two mines, Lake Shore and Teck-Hughes, adjacent to Wright-Hargreaves, announced their dividend policies to be to pay all shareholders alike in Canadian funds. In both cases bonuses are to be paid, which compensates for any benefits accruing from the premium gained on the sale of gold.

Say Canadians Prefer Own Funds

Wright-Hargreaves officials told The Financial Post in Buffalo last week that Canadian shareholders had expressed a preference for having their dividends paid in Canadian funds. This, however, was at a time when exchange was not the serious matter it is today.

Wright-Hargreaves is a Canadian company operating with an Ontario charter although executive control rests principally in Buffalo. There is nothing in its charter that stipulates United States shareholders are to receive any preference in dividends; nor are the shares of the company listed on the New York Stock Exchange which would require it to pay dividends in United States funds. Shareholders in Canada feel that it makes little difference whether dividends are paid all in United States funds or all in Canadian funds, but the act of a company, operating in Canada and controlled in Buffalo, in placing United States shareholders in a preferred position, particularly at a time of stressed economic conditions, is regarded as "not playing the game."

The Financial Post endeavored to impress on Buffalo officials at the time of the interview last week, how Canadians would regard such an action regarding dividend payments, but at that time the cheques had already gone forward. Promises have been made to adjust the matter in a satisfactory way by the time the next distribution is due, either by paying all in United States or all in Canadian funds. In the meantime no relief is given for the harm done.

Property Looked Well

Directors have just returned from visiting the property and are impressed with the way the new deep levels are opening up.

In the South vein system, ore opened up on the 3,000-ft. level has given channel assays around $50 to $60 per ton in gold.

About four weeks ago, when the cross cut encountered the first vein in the south vein system, values were given as being well over mine average with widths of from seven or eight feet. Officials now say that the south zone gives evidence of a number of sections, which can probably be mined as one, making for great width.

The south ore zone at the 3,000-ft. horizon is almost directly below the surface outcrop. Development on intermediate levels showed a slight bend to the southward and there was a suspicion that it might go off the property, but as depth was reached, it bent back and at the 3,000-ft. level shows no indication of leaving the property. Only a limited amount of work has been done on the 3,000-ft. horizon but results are highly encouraging. Additions have been made to the surface plant which include a new crusher house and a new head frame. A new 2,500-ft. capacity air compressor has been ordered for early delivery, and this, together with new facilities, will soon bring the mill capacity up to about 850 tons daily.

Earnings Well Up

Although there are heavy equipment and development expenses, current earnings are from 21 to 22 cents per share, as against dividend requirements, without bonus, of 10 cents per share.

With current earnings of over 20 cents per share, and with a ten per cent premium on United States funds, further increasing the profits to close to 30 cents, and with additional milling facilities under way, some idea can be gained as to what shareholders have in store for them in the near future.

Ottawa Action Aiding Dollar Not Expected

Depreciation Hampers Debt Settlement But Not Disastrous

BILLION IN GOLD

Huge Debt Redeemable in United States Eventually But Not Pressing at Moment

From Our Own Correspondent

OTTAWA.—Expected efforts on the part of Rt. Hon. R. B. Bennett, acting minister of finance, to restore the Canadian dollar to par, have failed to materialize, and events, in the financial world, have been proceeding at such a pace that it is not now expected that Ottawa will intervene in the situation for some time to come.

As far as information here goes, and it may be taken as authentic, the Canadian dollar is not likely to rise in value appreciably in the immediate future. Original fears that a depreciated dollar would work great hardship upon this country have faded away. Apart from the difficulties of debt settlement, it is generally believed that the dollar discount is rather an advantage to this country, and that there will be little occasion for worry if it stays at approximately present levels for an indefinite period.

What Premier Bennett Meant

Premier Bennett has reiterated his statement that Canada is on the gold basis, but that statement carried little weight even in the precincts of Parliament Hill. It is believed that Mr. Bennett had in mind saying that Canada intended to conserve her gold reserves, regardless of currency fluctuations. Such an attitude may be understood, even may be accepted as essential.

Refused Canadians Gold

The developments in regard to the $13,000,000 of 1916 war loan bonds, which matured last week, throw a strong light upon the present difficulties of the Government. It appears that these bonds, upon their face, are redeemable in gold. Large numbers of the bond holders demanded gold, but, as far as Canada was concerned, were promptly refused. Those of the bonds which had got into the United States and were presented for payment in gold, were redeemed in gold.

The 1916 bond issue, however, was not unique in being redeemable in gold. It now appears that the bulk of the Dominion, provincial, and Canadian National Railway debt (Government guaranteed) is redeemable both as to principal and interest in gold. Therefore, as this debt matures the Government must be prepared to deliver the gold to foreign bond holders, or default. The debt for which the Federal Government is responsible, redeemable in gold and held in the United States, is probably not far short of one billion dollars. Of course only small parts of it will mature in the coming year, but the drain on the gold reserve will be very severe and interest payments will have to be met.

No Default in Gold

Undoubtedly the policy of gold conservation at Ottawa has been adopted with the bond situation in mind. Whatever else may happen, the Government is determined to prevent any default in gold. And at the moment the predilection of bond holders seems to run toward gold rather than currency.

Natural Gas Franchise Discussed in Regina

From Our Own Correspondent

REGINA.—Word of the proposed franchise for distribution of natural gas in the city of Regina is still under discussion between the city council and the Power Corp. of Canada although most major points have been settled and the matters now in question are considered to be minor ones.

When the agreement is finally completed it will have to be submitted to the ratepayers, and there is general agreement that this is not to be done at the civic elections but either before or after. It is feared in any event that the season is now so far advanced that no great amount of progress with actual construction would be possible before winter.

Business Leaders Give News, Views On Wage Question

Heads of Leading Industrial Corporations in Canada Tell What is Happening to Wages and Salaries in Their Own Plants

OVER ONE HUNDRED FIRMS QUERIED

Only One-third Have Made General Wage Cuts; Fifty Per Cent Have Made Wage or Salary Adjustments; Average Cut is 10 Per Cent; Next Few Months Considered Critical Period

ARTICLE ONE: What Canadian Business Men Do and Feel About Wages

That chief executives in Canada's leading industrial and mercantile corporations consider the wage problem the most important now facing Canadian business, but that only about 50 per cent of them have taken actual steps to reduce wages and salaries as yet, are important conclusions to be drawn from a nation-wide survey conducted by The Financial Post to find what leading Canadian firms had done in this regard.

The Financial Post sent a personal letter to the chief executives of over 100 of the most important industrial firms in Canada whose total assets (exclusive of transportation companies) exceed $4,500,000,000. Over 60 per cent of these business leaders have given, in confidence, complete details of what has been done in regard to wages and salaries in their particular companies, while an equal number, representative of practically all the major industries of the country, have given their personal views on this matter, which The Financial Post plans, in this and succeeding articles, to summarize and publish. This survey, the first of its kind undertaken at this time in Canada, will therefore give a valuable cross-section of the opinions which Canadian industrial leaders hold on the question and that is of such first-rate importance to both executives and employees at the present time.

Many Plans Submitted

In addition to actual data regarding wage and salary adjustments, The Financial Post survey has also brought out valuable information regarding the extent of the five-day week in industry; the use and curtailment of bonus systems; the opinion of business leaders as to the respective merits of lower wage rates and reduced hours of work in lowering manufacturing costs, and an explanation of various ingenious plans which have been evolved to reduce costs of production without a general wage cut.

Although as already noted, approximately one-half of the firms replying to the request for information, have made some wage or salary adjustments, it is important to note that only one-third of the total have made general wage cuts affecting all wage-earning employees and that for the most part these have only been made within the past few months. In some special cases cuts were made in 1930, the earliest for which a definite date is given being July, 1930. In practically all cases where cuts have been made they have been approximately ten per cent.

No Public Utility Cuts

As to what industries have been affected, the survey would indicate that with few exceptions wage or salary adjustments have been made right across the industrial front. The most notable exception to this is the case of public utilities, replies from a substantial number of firms indicating that this group is as yet virtually immune from either wage or salary cuts. As J. S. Norris, vice-president and managing director of Montreal Light, Heat & Power Cons., puts it:

"Unless business conditions become worse it is unlikely, in my opinion, that the men employed in the light and power industry will have to suffer any reduction in wages or salaries for the reason, first, that there are comparatively few workers (having regard to the size of the industry) and second that the industry has not been hurt to the same extent as others in the present depression."

Another public utility executive operating a different branch of this industry finds it difficult to give any personal opinion as to what may have to be done but believes that if conditions do not get any worse than they are, his corporation can also carry on, but if not and the trend is till downward, "We will obviously have to take steps to inaugurate further economies

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CANADIAN CAR WILL PRESENT GOOD REPORT

Earnings on Common Likely Approximate Dividends

MAY REDEEM STOCK

Request for Approval to Buy Preferred Viewed as Constructive Policy

From Our Own Correspondent

MONTREAL.—Though earnings of Canadian Car and Foundry Co. in the fiscal year ended September 30 have shown contraction compared with the previous year it is expected that the preferred dividend will be fully earned. Whether the disbursement on the common stock will be fully covered remains to be seen; indications are that if profits have fallen somewhat short they will not be far below the $525,000 which has been paid in dividends on the common shares.

This may be considered an encouraging showing in face of the lower rate of activity which has been prevalent in the railroad equipment industry in the past few months. It is understood, however, that Canadian Car has been successful in diversifying its output and the volume of miscellaneous business undertaken has been satisfactory.

High Yield on Common

The present price of the common shares which give a return of 28 per cent indicates that investors view the prospects of maintenance of dividends at the present rate with some doubt. The position of the preferred has been rendered more encouraging by a recent statement of President Butler, who remarked that unless conditions became much worse safety of the preferred dividend was assured.

The outlook for the common stock has been strengthened by a recent decision of directors whereby they will seek shareholders' approval to allow the company to purchase its own preferred stock at prices not exceeding $25 a share. Shareholders will meet on November 2 to discuss, and if advisable, authorize application for supplementary letters patent covering this policy.

Effects Far Reaching

The effects of such a move might be far-reaching and in it some see the eventual retirement of the whole issue of $7,500,000, 7 per cent preferred, which at present is non-callable. At market levels of around 14¾ the preferred gives a return of over 11 per cent; the company's strong cash position would allow it to make any purchases necessary with ease.

If stock can be purchased at current levels, wide savings to the company are apparent. At the present time dividend requirements on the preferred total $525,000 annually, while the $7,500,000 of preferred today has a market value of about $4,200,000.

Strong Cash Position

The company's balance sheet as at September 30, 1930, showed cash, call loans, government bonds and other investments of over $5,000,000 but what changes, if any, the forthcoming balance sheet will reveal have not been disclosed.

Redemption of the preferred, if it comes to pass, will be in line with the company's former policy whereby all bonds were redeemed leaving the capital stock the sole charge against the property. In 1929, funded debt of Canadian Car and subsidiaries amounted to $4,764,599 but by the issuance of stock rights the company received sufficient funds to redeem all this funded indebtedness.

May Redeem Preferred

In the same way, the new by-law which shareholders are being asked

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We're proud of our new Fall Birkdale hats. They have a young-mannish verve to them—the color tones are the smartest we have seen—the quality of the felt leaves little to be desired. And the price is far less than you would expect to pay. See these New Birkdales. They will win your approval at a glance.

A complete size range.

Main Floor, Queen Street.

THE T. EATON Co LIMITED

Building Active in St. Thomas

There is considerable building activity in St. Thomas at present. The new theatre for the Famous Players Company is complete and ground has been broken for the plant of the Canada Vitrified Products Limited (subsidiary of the Pittsburg Tile Company of Pittsburg, Pa.) which will manufacture fire brick, conduits, insulators, sewer pipe and similar products. The plant will occupy a 21-acre site.

The United Fruit Companies of Nova Scotia have recently installed thirteen of the newly-introduced "Wayland" apple graders in their warehouses throughout the Annapolis Valley, in addition to several that have been installed by other shippers. The grader in question is at present imported from the United States, but there is a possibility that a branch plant will be opened in Nova Scotia next year.

THE NATIONAL CITY BANK NEW YORK

CAPITAL, SURPLUS and UNDIVIDED PROFITS $226,616,546.30

Head Office: 55 Wall Street New York

The National City Bank of New York

including

Domestic and Foreign Offices

Condensed Statement of Condition as of September 29, 1931

ASSETS

Cash in Vault and in Federal Reserve Bank	$174,009,936.54	
Due from Banks and Bankers	125,807,481.49	$ 299,817,418.03
Loans, Discounts and Bankers' Acceptances		877,330,284.97
United States Government Bonds and Certificates	$233,392,951.13	
State and Municipal Bonds	50,997,182.52	
Stock in Federal Reserve Bank	6,600,000.00	
Other Bonds and Securities	110,198,647.67	401,188,781.32
Ownership of:		
International Banking Corporation		8,000,000.00
Bank Buildings		56,127,037.23
Items in Transit with Branches		20,910,431.94
Customers' Liability Account of Acceptances		131,835,647.92
Other Assets		6,837,451.67
Total		$1,802,047,053.08

LIABILITIES

Capital	$110,000,000.00	
Surplus	90,000,000.00	
Undivided Profits	26,616,546.30	$ 226,616,546.30
Reserves for:		
Contingencies	$ 6,907,968.55	
Accrued Interest, Discount and Other Unearned Income	4,059,414.81	
Taxes, Dividends, Accrued Expenses, et cetera	7,814,001.28	18,781,384.64
Liability as Acceptor, Endorser or Maker on Acceptances and Bills		173,915,069.44
Deposits		1,382,734,052.70
Total		$1,802,047,053.08

Figures of Foreign Offices which are included herein are as of September 25, 1931.

THE NATIONAL CITY COMPANY CANADA

Advisory Board

Sir Charles B. Gordon, G.B.E.
Sir John Aird
W. A. Black
A. J. Brown, K.C.
Wilmot L. Matthews
F. E. Meredith, K.C.
Lt.-Col. Herbert Molson, C.M.G., M.C.
W. N. Tilley, K.C.
The Hon. J. M. Wilson

The National City Company Limited

Underwriters and dealers in the securities of governments, provinces, municipalities, and of public utility and industrial corporations.

Head Office: 360 St. James St., Montreal

320 Bay Street 85 Sparks Street 65 St. Anne Street
TORONTO OTTAWA QUEBEC

The National City organization extends throughout the world

577

Dollar Discount Causes Large Brokerage Offices To Suspend Operations

Boston Bankers, Panic-Stricken, Insisted on Being Paid Loans

BANKS ARE SAFE

Premier Bennett, Appealed To, Could Take No Action — Denials Made That Further Trouble Likely

FAILING FIRMS

McDougall & Cowans, with headquarters in Montreal, and branches at Toronto, Winnipeg, Ottawa, Quebec, Saint John, and Halifax; Gordon W. Scott of Montreal appointed custodian; members of Montreal Stock Exchange and Montreal Curb;

Greenshields & Co., with head office at Montreal and branches at Toronto, Ottawa and Quebec City; G. S. Currie of Montreal appointed custodian; company's investment banking business reported unaffected; members of Montreal Stock Exchange and Montreal Curb;

Watson & Chambers, members of Montreal Stock Exchange, George S. Currie named custodian;

Royal Financial Corp., dealing in Western municipal bonds and debentures, with head office at Vancouver and offices in Western cities and in Toronto;

J. M. Robinson & Sons, Ltd., investment bankers, with head office at Saint John, N.B., and branch at Fredericton; Montreal firm of same name said to have no connection with failure; new company known as John M. Robinson & Sons being formed in Saint John to deal in government and municipal bonds with John M. Robinson, former head, managing director.

Suspension of two such important brokerage concerns as McDougall & Cowans and Greenshields & Co., of Montreal, followed by failure of Royal Financial Corp. of Vancouver, J. M. Robinson & Sons, of Saint John, N.B., and Watson & Chambers, of Montreal, which ordinarily would have constituted together a staggering blow to stock market and investment confidence in Canada, have been taken steadily and without apparent panic by the Canadian investing public.

The Montreal and Toronto stock markets opened for business as usual and prices showed a rise in line with cheerfulness developing this week in New York in anticipation of President Hoover's monumental plan for helping United States and world business. Statements by heads of the Toronto and Montreal Stock Exchanges indicate that these men believe there is no immediate danger of these firms bringing others down in their wake. Beaudry Leman, president of the Canadian Bankers' Association, states that to his "certain knowledge" the majority of Montreal Stock Exchange houses are in an excellent condition and well able to look after interests of clients. In Toronto, Toronto houses were largely free from the causes which affected Montreal.

Canadian Banks Not Hurt

The chief trouble in Montreal was that in the last six months Boston and other New England banks had been supplying money to McDougall & Cowans and Greenshields & Co. in order that these firms might carry their clients on margin. When the Canadian dollar dropped precipitately from par that became a great source of weakness as the Boston bankers got panic-stricken and insisted on liquidation of their account. With pegged prices operating on all but interlisted stocks in Canada, the chief strain came on stocks interlisted with New York where a free market obtains. This explains the constant liquidation shown on stock markets recently, and to some extent there is relief by operators that the weak spots have been uncovered. It has been suggested that Boston bankers would not have been in such a funk if President Hoover's announcement had come a few weeks ago. The fact that there are $3,000,000 of frozen securities in the vaults of United States banks may have been a contributing factor. Toronto concerns for the most part have refused loans from United States bankers.

Gordon W. Scott, custodian in the McDougall & Cowans assignment, expects that it will be a week or ten days before a definite estimate can be made with regard to the position of 1,800 accounts involved. The largest loan of this firm from a Canadian bank was $750,000, fully secured.

George S. Currie, custodian for Greenshields & Co., says total loans and clients free credit balances are about $3,000,000, of which about $1,700,000 are payable in New York funds. Much depends on the attitude the various banks and New York correspondents of the firm decide to take with reference to disposition of securities which are pledged to secure loans.

May Resume Soon

W. E. J. Luther, chairman of the Montreal Stock Exchange, regards the troubles of the suspending firms in Montreal as "purely temporary." He hopes that they will be able to reorganize and resume business shortly.

C. E. Neill, vice-president of Royal Bank of Canada, says liquidation in New York and elsewhere has reduced commitments of brokers to lower point than for years. Loans from Canadian banks are secured by first-class collateral and are quite low.

On the other hand, it is understood that application was made to Premier Bennett before the suspension of the firms in question as it was felt that there would be a hard blow to general confidence, but in answer to strong representations the Premier stated that he could do nothing to avert suspension.

The continuous audit made by G. T. Clarkson on behalf of the Toronto Stock Exchange continues to be a source of strength to the Exchange. It is stated that accounts of all members are regarded as being in a safe condition. McDougall & Cowans and Greenshields & Co. both had large branches in Toronto which did a large business through the Montreal Stock Exchange, but neither one was connected with a Toronto exchange.

Dairy Corp. Results Show Some Increase

Aggregate results of operations of Dairy Corp. of Canada for the eight months ended August 31 is reported to be slightly ahead of results for the same period in 1930, according to a letter that has been sent to preferred shareholders. The management feels that the current year will probably be the most difficult one that the company will experience and it is stated that every possible economy of operation is being effected in keeping with the maintenance of the quality of the company's products.

The second full year of the company's operation will end on December 31. Previous reports have indicated that each of the company's units have shown some improvement in sales as compared with 1930 with the exception of the Saskatchewan units.

Goderich Elevator Business is Average

In a letter forwarded to shareholders of Goderich Elevator & Transit Co. which accompanied dividend cheques due October 1, it is stated that business of the company is satisfactory and that the average for the first half of the navigation season is well up to the average of the same period in the past three years.

Nearly a Century

For nearly a century this Bank has been providing Canadian business men with a full and efficient banking service. It is prepared to offer the same seasoned, comprehensive service to new clients who wish to avail themselves of its assistance.

THE BANK OF NOVA SCOTIA
Established 1832
Capital, $12,000,000. Reserve, $24,000,000.
Total Assets over $265,000,000.

EXCHANGE AIDS CANADIAN PACIFIC POUND PAYMENTS

Other Securities Payable in Canadian and U. S. Funds

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway, whose securities are widely held throughout Canada, Great Britain and the United States, through financing carried out in those countries at various times, is naturally affected by the vagaries of exchange as regards its interest and dividend payments. The company has a substantial amount of sterling securities outstanding, chiefly in preference and debenture stock, but gains which might be forthcoming from a favorable exchange rate in payments on those securities are counterbalanced by interest and dividends payable in the United States.

In the first place since Canadian Pacific Railway common stock is listed on the New York Stock Exchange the company must necessarily abide by the rules of exchange and maintain a registry office in New York. This in turn means that dividend cheques on the common may be cashed in New York. In the light of the fact that ordinary dividends in 1930 totalled $33,242,907 the effects of an adverse exchange rate are apparent; on the present basis of dividends just half this sum is required each year.

Bonds Payable in New York

A large portion of the company's bonds are payable in New York, for C. P. R. securities enjoy a good market in the United States. At the end of 1930 there was $130,000,000 of bonds and debenture stock bearing interest payable in New York, exclusive of equipment trust obligations.

To offset this, C. P. R. has a large amount of sterling securities. The major portion, or £46,522,921, of the 4 per cent consolidated debenture stock is issued in sterling; while a small bond issue and the £26,578,477 of preference stock is also issued in pound denominations. The present rate of exchange benefits payments made in English funds.

Comparatively few of the company's securities are payable in Canadian funds only; these comprise an issue of $12,000,000, 10 year, 5 per cent collateral trust bonds, $10,000,000 of debenture stock, and $22,289,069 of 4½ per cent note certificates outstanding at the end of 1930.

To sum up, C. P. R. at the end of last year had, excluding $42,264,337 in equipment obligations, £73,851,398 outstanding in sterling securities; $130,000,000 of bonds payable in New York and $44,289,069 payable in Canadian funds. Common dividends, however, can be cashed in New York.

NATION'S BUSINESS

(Continued from page 1)

forced by the exigencies of the situation to insist upon the most drastic revision of the railway's plans for expansion. "Hands off the C. N. R." is still the burden of many an editorial plaint. Do these writers realize that the Canadian National will cost the people of Canada $100,000,000 this year quite apart from capital expenditures? Do they realize that the tax increase that is threatening to cripple the trade and industry of the country is largely due to that particular type of hands-off policy that has been followed in recent years; a policy that insisted that the Government must do nothing to curb expenditures but must interfere to force expenditures whether the railway's operating officials wanted them made or not?

* * *

CANADA needs without delay the thorough and comprehensive study of the whole railway situation and particularly of the C. N. R. situation, that the proposed railway commission can give. But the hands of the commission must not be tied by orders. The commission must not be made to feel that whatever it does it must support the fetish of Government ownership; that it must pay particular attention to the sensibilities of particular sections of the country or of particular groups of the population. The Canadian National Railways must be put upon a business basis.

Likewise our provincial, municipal and Dominion expenditures must be put upon a business basis. Budgets should be drawn as carefully as those of industrial and trading corporations, which have to cut expenditures to avoid bankruptcy. Public expenditures are not being so cut. There is little evidence yet that our spending governments have realized the need for far-reaching and drastic economies.

PARAMOUNT OPERATIONS SHOW PROFIT

(Continued from page 1)

conservative point, the stock dividend policy may be followed.

The combine investigation and the prosecutions arising from them in Canada may be considered an undetermined factor of importance bearing on the financial and earnings position of Famous Players Canadian Corp. Competition on a larger and more united scale than formerly is being attempted by Associated Theatres, Ltd., just formed to bring 76 theatres in Ontario into a theatre chain to compete on a more even basis with the great Famous Players chain. It is stated that theatres in other provinces will also be brought into the new group.

BANKERS' CABAL BLAMED FOR FALL OF BRITISH TRADE

(Continued from page 1)

Britain has lost the power of initiative in the most vital branch of her economic existence and is being told in so many words that her future existence as an industrial power is largely out of her own control and is at the mercy of her foreign trade rivals. "Having handed over the control of the supply of the life blood of trade and commerce to a private trading company the Government is powerless to alter our present economic condition, and instead of looking to our Government for a solution of the problem of unemployment by an increase of purchasing power we must rely entirely upon the wisdom, influence and goodwill of Mr. Montagu Norman and his associates. And these gentlemen in turn must rely upon the goodwill and consent of the central banks of America, France and other countries."

Britain Under U. S. Control

Mr. Kitson recalls that when Britain went back on the gold standard in 1925 the warning was issued that such a move would put Britain very largely under the power of the United States and he claims that this forecast had been largely fulfilled. Mr. Kitson explains the operations of the gold standard contending that the gold basis is a brake upon the wheels of industry and that the contest of countries for gold leads to high interest rates that throttle trade and cause each period of good business to be followed by a serious depression.

"The report mentions the intimate connection and alliance of the Bank of England with international finance with evident approval," says Mr. Kitson, who, on the other hand presents this connection in a more unfavorable light. Great American bankers, he says, have for years been planning to control the world's trade and industries and have built up a power in the economic world greater than that possessed by any ruler and Government. He quotes from an article in the New York World to the effect that "side by side with the League of Nations there exists, unsuspected by the general public, a world League of Money. The League of Money works in the dark. It is yet in the embryonic stage." The bank for international settlements is a step in the direction of this world control of money by a few bankers.

Mr. Kitson concludes with the observation that the question now arises "Which is the more important—our industrial system or our financial system? And if the continuance of only one of the two is possible is it not better to wipe out the one that threatens our existence as an independent power and supplant it with a truly national system."

CANADIAN CAR WILL PRESENT GOOD REPORT

(Continued from page 1)

to approve, will pave the way to eliminating the preferred shares, leaving the 365,800 shares of no par common the sole securities outstanding. While it may be years before such a situation exists, each share of preferred redeemed will strengthen the equity back of the common by a proportionate amount.

BUSINESS LEADERS GIVE NEWS, VIEWS ON WAGE QUESTION

(Continued from page 1)

and among these would be wages and salary reductions, or else reductions in staff."

Many Economies Effected

From the replies received it is obvious that in practically all cases, strenuous efforts have been made to effect economies of one sort or another before resorting to wage cuts. The statement by J. S. McLean, president of Canada Packers, Ltd., is typical. He says:

"We have endeavored constantly to check up on the efficiency of our methods so as to get the maximum value out of our men's work. Up to the present we have not felt circumstances made reductions necessary and we are very unwilling to reduce either salaries or wages except as a last resort."

Another equally outstanding firm manufacturing an article used largely in construction and building replacement work, and with plants in all parts of Canada, says:

"Drastic economies have up to the present obviated a general wage cut. We are hoping to avoid general wage and salary reductions but we do think that when pre-war prices of commodities and rates of wages are compared with those of today, it will be found that the wage earner is better off than he has ever been and a reduction in wages would be of tremendous help to all producers and should not be a hardship to the wage earner. My own personal feeling is that we shall not see very much improvement in business for at least another twelve months."

Future Trend Discussed

As to the future trend of wages, opinion among Canadian business leaders is considerably divided, although the heads of basic industries such as iron and steel, pulp and paper, where wage cuts have not as yet become general, seem to hold generally to the belief that permanent prosperity cannot be realized without a general wage and salary adjustment. Two opinions from outstanding figures in the iron and steel field are typical:

"Reductions in both wages and salaries will be incumbent upon all business in my opinion, if adjustments are to be made which will lay the foundations for future prosperity."

* * *

"We have been reluctant up to date to reduce wages notwithstanding that the price received for our material has been greatly reduced. We are, however, considering a further salary reduction, and at the same time, we anticipate a general country-wide wage reduction as a necessary consequence of the fall in the commodity index."

Commodity Prices Important

Reference to the trend of commodity prices as the factor which will decide the fate of wage rates in many big companies, is touched on by many manufacturers. A big merchandiser of groceries states bluntly that "If commodities keep on the low basis they are at present, it will mean a reduction in wages." On the other hand Morley Smith, vice-president and treasurer of Dominion Stores, Ltd., which operates nearly 600 stores throughout Eastern Canada, says:

"Our industry has suffered somewhat from the prevailing depression, but no doubt in less degree than most industries. While people must eat there can be no great variation in the variety of foods eaten and in time of depression they turn more to staple foods as against what may be termed the semi-luxury foods. The profit ordinarily obtained from these staple items of foods is less than the profit from the sale of semi-luxury items. If it should turn out that the fall in commodity prices is pretty well over and that the general world-wide depression is soon succeeded by some measure of gradual improvement it would appear that we should be able to maintain our present scale of salaries and wages."

Western Situation

As to the outlook in the prairie provinces, opinion from two manufacturers both of whom are supplying foodstuffs across a wide area, differs widely. One firm which has already made two ten per cent cuts along with other drastic economies in plant organization and so forth, says: "We would consider wages now in Western Canada are relatively fair as compared with commodity prices and the reduction in the cost of living." The other firm which has reduced salaries but has made no wage adjustments, holds an opposite opinion and tells us:

"Wages in Western Canada and salaries too, are bound for reduction because there has been such a tremendous decline in our basic commodity prices that only by some reduction in wages and expenses can things be brought at all into line. The condition may be a little different in the East where there is more variegated industry. Conditions in the Prairie provinces are dependent entirely upon the price of grain which is, at the present time, entirely out of relation to the price of wages paid in the cities."

CORPORATE TRUST NEW SERIES ISSUED

Reserve Fund Absent—Portfolio Substantially Changed

Offering is being made of two new series of Corporate Trust Shares, one of the distributive type and the other of the accumulative type. A number of drastic changes have been made in the trust agreement that differ radically from the provisions of the original trust shares. Among these changes are the absence of a reserve fund in the new distributive series, additional provisions for elimination of stocks from the portfolio, various supplemental services and a revision of the portfolio of the trust.

In the original trust there are 28 stocks in the portfolio and of these eight have been excluded from the portfolio of the new series while ten new stocks have been added to bring the total to 30. Common stocks in the original portfolio that have been dropped from the portfolio of the new series are Illinois Central Railroad Co., Ingersoll-Rand Co., Louisville & Nashville Railroad Co., Southern Pacific Co., Standard Oil Co. of California, Standard Oil Co. of New York, United Fruit Co., Western Union Telegraph Co.

Western Cartridge Seeks Site

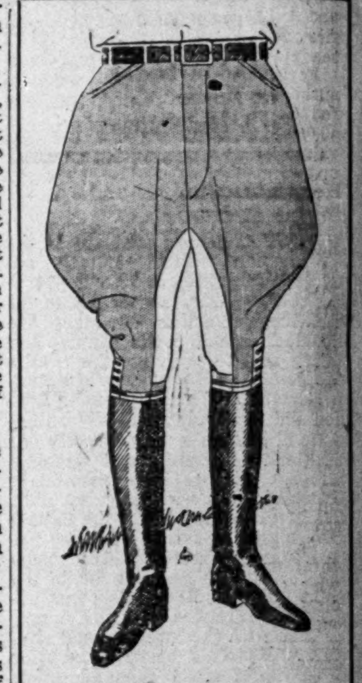
The Western Cartridge Co. Ltd., is reported to be seeking a site in Calgary, upon which to erect a plant for the manufacture of shotgun shells and small arms ammunition of all kinds. Three acres of ground will be needed.

IN THE NEXT TOWN or ON THE OTHER SIDE OF THE GLOBE

HAVING over 650 Branches in Canada and Newfoundland, offices in London, Paris, New York, Chicago, San Francisco and Mexico, and world-wide banking connections, the Bank of Montreal is able to take care of financial business *anywhere* with the utmost promptness and efficiency.

Head Office Montreal

BANK OF MONTREAL
Established 1817
Total Assets in Excess of $750,000,000



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Cut and Tailored to your individual measurements in the Custom Tailoring Department of the Store for Men, from $45 up.

Simpsons, Second Floor

THE ROBERT SIMPSON COMPANY LIMITED

REGENT KNIT
OUTER and Sports Wear

THE DOMINION BANK ESTABLISHED 1871

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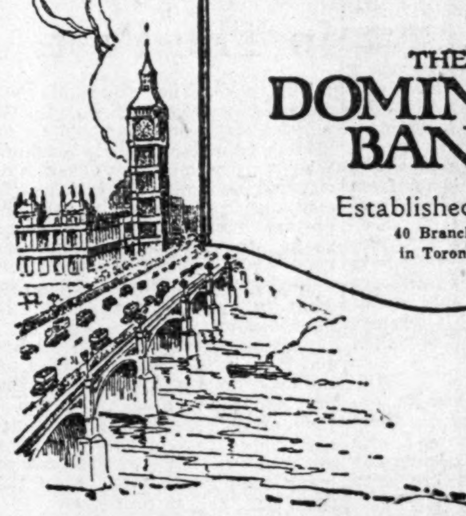
Our own offices in London, England, and New York—and private wires between Toronto, Montreal and New York—keep us in close daily touch with the world's money markets. We offer prompt service and the best possible rates on Foreign Exchange.

Telegraphic and Cable transfers are given special attention.



THE DOMINION BANK
Established 1871
40 Branches in Toronto

CANDY CHAIN SHOWS PROFIT IN FIRST YEAR

Jenny Lind Candy Shops Will Add Six Stores Before Christmas

Jenny Lind Candy Shops, Ltd., has completed its first full year of operation with a profit, before depreciation, according to figures shown to The Financial Post. The company started with seven stores in Toronto during October, 1930, and now has 14 stores of which 13 are in Toronto and one is in Hamilton. Six new stores will be opened during the next few months, two in Toronto and four in other Ontario cities.

Peak demand for candy comes in the next three months and with 20 stores operating to meet the Christmas demand it is fully expected that the company will be able further to increase net earnings. The company's first fiscal period will end on December 31 and will cover some 15 months. The first financial statement is to be ready some time in January.

Formed early in 1930 with an authorized capital of 9,000 preferred shares of $35 par value and 40,000 common shares of no par value, the company proposed to open a chain of candy shops centring in Toronto but also located in numerous cities throughout Ontario. Conditions have materially curtailed the original plan of expansion but it is understood that each of the stores now operating is showing at least some profit and new stores will be opened from time to time. At present there is some $131,000 of the preferred stock paid-up and some additional stock has been subscribed but has not been paid up as yet. It is stated that when $200,000 of the preferred stock is fully paid up the company will have enough funds to complete the number of stores originally proposed.

The company now owns a new three-story studio in Toronto in which it manufactures the candy distributed direct through the various stores. Against this plant is a mortgage for $34,600. The studio contains 20,000 feet of floor space.

The preferred stock is cumulative and is entitled to dividends at the rate of 7 per cent annually. No dividends have as yet been paid but it is understood that the dividend requirements for the initial period of operation will be covered. No indication is given, however, as to when the initial dividend will be paid.

Sue Manitoba Pool On Use of Elevator

From Our Own Correspondent

WINNIPEG.—The Gillespie Terminal Grain Company has brought suit against the Manitoba Wheat Pool, claiming the amount of $146,729.77, as rent, taxes and insurance on a terminal elevator at Port Arthur owned by the company at Port Arthur and formerly operated by the Manitoba Pool.

In the statement of claim filed on behalf of the Gillespie Grain Company, by Hudson, Ormon. Swift and MacLeod, it is stated that the Pool on Sept. 8th, 1928, leased for five years the elevator known as the Horn Elevator, Port Arthur. The annual rent was $55,000, and the defendants agreed to pay taxes and insurance. The plaintiff states that the Pool has abandoned use of the elevator, and that under the term of the contract, there is now due $110,000 rental and $36,729.77 taxes and insurance.

Algoma

A reputation—as well as a name

Algoma Steel Corporation Limited

Sault St. Marie, Ont.

General Sales Office:

MONTREAL: 730 Canada Cement Building

District Sales Office:

TORONTO: 1206 Northern Ontario Building

Believes Railway Co's Should Control Trucking

Transportation Expert Thinks Future Welfare of Country Demands That Motor Carriers on Highways Be Run By Railways

By W. T. JACKMAN
Professor of Transportation, University of Toronto
(Eighth Article in Series on Highway Transport and Steam Railways)

EDITOR'S NOTE.—The Financial Post, without endorsing the rather startling solution of the railway-trucking problem put forward by Professor Jackman, nevertheless welcomes his contribution to this series of articles and invites an expression of opinion on this matter on the part of our readers.

Probably the most important problem in the entire field of transportation is as to what should be the relation of the railways and the motor carriers upon the highways. The development of highway transportation has been so rapid that it has amounted virtually to a revolution, with all the elements of instability and uncertainty which characterize such a change. Vast expenditures have been made on capital account in the construction of great trunk-line concrete roads and heavy additional expenditures have been incurred for the maintenance of such main channels of communication. These improved roads were made for the convenience of the public and were not intended to be the avenues of operation by motor vehicle carriers for private profit.

But exercising business acumen, and seeing an opportunity of using the public highways for their own private advantage, great numbers of operators have come upon these highways and are engaged in carrying passengers and freight. They have been permitted to operate without paying a reasonable compensation for the use of the roads and this has attracted into the business many of an adventurous and speculative turn, as well as some who have entered with the express purpose of getting into a line of work which seemed to promise a reasonably good living with possibilities of future expansion.

Three Kinds of Carrier

Referring only to motor truck operators—for of all public carriers these are causing the greatest concern—we find three classes, namely, the common carriers, the contract carriers, and the private carriers. The common carriers are those who hold themselves out to carry all kinds of appropriate traffic for the public generally. The contract carrier is one who acts as the agent for the carriage of the goods of one or more companies, but does not carry the goods of others. The private carrier is one who carries the goods of his own firm only. He constitutes merely a department of the firm, and so long as the firm carries on its business in compliance with the law it is not subject to any regulation or control by the government.

It is the common carriers and the contract carriers which are engaging a great deal of attention, and it is these which come into intimate competition with the railways. If a private concern wishes to place its own trucks upon the highways to do its own carrying, this carrier is not vested with a public interest in the same way as if a common or a contract carrier enters the field and performs this public service for others. Because this competition of the common and contract carriers on the highway with the railway companies has become an acute problem of public importance, it is essential to note some of the differences between the two types, namely, the railway and the highway carrier.

1. The railway has provided at great cost its own right of way, with appurtenant stations, terminals and other structures; and the annual expense of maintenance of these involves the enormous sum of approximately 22 per cent of its gross revenues. On the other hand, the highway carrier gets a free right of way provided out of the public taxes and does not have to spend anything for maintenance of that highway.

2. The railway has to pay annual interest on the cost of construction of its roadway; but the highway carrier gets the benefit of a free roadway constructed out of public funds and has no liability for interest on the cost of construction.

3. The railways contribute heavily in the way of taxation but the motor trucks contribute but an insignificant amount in taxation. For example, the provincial revenue obtained through the distribution and operation of motor vehicles for the year 1928—the last year for which complete returns from all the provinces are available—show that out of the total revenue of $31,551,349, passenger cars paid $14,472,620 and the gasoline tax was $12,547,073. Consequently, the remainder, $4,531,656, was the amount paid by trucks. motor cycles, dealers' licenses, garages, operators' and chauffeurs' permits, and fines; and it will be readily appreciated that of this latter amount the tax paid by trucks was small indeed. For the year 1928, in the province of Ontario, which had the largest amount of total revenue obtained from the distribution and operation of motor vehicles, only 14 per cent was contributed by the motor trucks.

It is evident that in the minds of many the gasoline tax, so called, is regarded as a tax, and a very heavy one at that. It is utterly absurd for a business concern like a trucking company to think of this in terms of taxation. The fact is that for them it is not a tax at all, but an expense of doing business. The manufacturer might as well think of his coal bill, or his bill for electrical energy, as a tax.

4. The railways spend large amounts for improvements and additions to their property, and these great expenditures are a very substantial contribution to Canadian prosperity. The purchases of steel rails, of improved and additional freight and passenger cars, the construction of new and stronger bridges, the re-ballasting, re-alignment, etc., of the roadway, and the many other forms which these expenditures take, furnish abundant employment to Canadian rolling mills, car shops, bridge construction companies, and tens of thousands of workers in all lines. For example, in 1928, the Canadian railways spent for additions and betterments of their existing roads and equipment $47,699,981 and for new lines and their equipment $30,843,793, or a total of $78,543,774. In 1930, when railway revenues had reached a low ebb, the Canadian Pacific expended on railway improvements and expansion $14,867,689 and the Canadian National a little less than this amount. In the ten years 1920-1930 the Canadian Pacific made capital expenditures in excess of $386,000,000.

But, in contrast to this, did anyone ever hear of motor trucking companies making analogous expenditures for the public welfare and for the future interest of their business? The fact is that, with all the assistance they have obtained from the Government in the way of release from reasonable taxation and irresponsibility for any contribution toward the upkeep of their free highway, they are still in most cases financially unstable.

5. The railways, through their payment of taxes and their expenditures for the country's welfare, are helping to subsidize the motor carriers and furnish traffic for them. On the contrary, the motor carriers are skimming the cream from the railways' traffic and taking more and more of it, without giving anything in return.

Railways Form Backbone

Not to go further into this particular phase, it is very clear that the inequity of this competition should be brought to a close. The railways are recognized as the backbone of the transportation system, and so far as human judgment can now discern they will always retain this position. They are the most economical means of long-distance transportation and they are absolutely essential for mass transportation of the raw and many of the finished products of agriculture and manufacture. Their permanent position has been acknowledged by all, and in view of this they have invested vast sums to assure to the public the utmost in the way of service for the future. These facilities may prove to be greatly in excess of the requirements of the traffic which would be left to them if the motor vehicles continue to make the inroads upon them which they have been making recently.

Conceding, then, that railway transportation must continue to be the great essential to the business and general public welfare that it has been, how is its continuance to be assured?

It must obtain traffic and revenue sufficient to meet all its responsibilities. If competing agencies abstract a substantial part of its traffic it will have to earn enough on what is left to enable it to perform adequate and effective service. But, if the cream—the best-paying traffic—goes to the motor carriers, the railway rates would have to be increased on the remaining traffic; and both the railways and the public are anxious to avoid this contingency.

What is Remedy?

What is the remedy? There are some who believe that if the motor carriers were taxed on a basis commensurate with the railways, so that the terms of competition would be fair and equal, the whole issue would solve itself by the survival of the most efficient and economical transport agency. But, in reality, both systems are desirable. Moreover, the diversity of taxation is only one element in the present chaotic condition.

I do not see any way in which two things which are so essentially unlike as the railways and the motor truck could be equalized competitively by taxation. It is wholly impossible to tell how much tax should be charged against the motor truck in order to pay for the damage it does to the roads and for the repair and maintenance of these highways.

The road is used by private automobiles, private motor trucks, contract carriers, common carriers, horse-drawn vehicles, etc., and it is not hard to see that the road might suffer more injury as a result of a heavy load drawn by horse and wagon than by a much heavier load on a motor truck equipped with balloon tires. Or, again, the injury done by a solid-tire truck carrying a load of 6,000 pounds might be greater than that done by a pneumatic-tire truck carrying 10,000 pounds. How much taxation should be imposed upon each of the abovementioned classes of users it is impossible to determine. The road is constructed for the use of all and that use is so varied that no equitable system of taxation could be devised which would be fair to all.

Foredoomed to Failure

If we cannot get a basis of taxation which would be equitable to all users of the same highway, it would be just as impossible to equalize the taxation of the motor truck and the railway, on account of the radical difference of the two systems of carriage. Moreover, the railway has the sole use of its right of way, whereas the motor truck is only one of many kinds of carrier on the highway. The attempt to equalize by taxation things which are so radically different would be foredoomed to failure.

There are many others who think that regulation is the solution of these ills: that since the railways are rigidly regulated the motor carriers also should be regulated. But the two types of carrier are so entirely different in their essential nature that there is no justification for saying that this course should be taken with the motor carrier because it has been taken with the railway.

Why Regulation Impossible

Perhaps we may be allowed to state some reasons why regulation of motor carriers would not succeed:

1. In the case of the railways we have organizations which are interprovincial or dominion-wide in operation and, therefore, only one regulative authority is required. But the motor carrier is authorized by the province to operate on the highways of the province, and therefore, there are as many jurisdictions having control over the motor carriers as there are provinces. In the case of motor carriers engaged in interprovincial business there would have to be some control by the Dominion or else the provinces concerned would have to come to some agreement by which operators licensed in one province would be allowed to use the roads of another upon paying reasonable compensation therefor. Each of these provinces has its own statutory requirements, and interprovincial carriers, such as those carrying between Toronto and Montreal, are under the control of two jurisdictions and subject to two different legal codes.

2. If the motor carriers were to be subjected to regulation—regulation which would be effective—it would require an army of men to attend to the multiplicity of the details. In addition to those now engaged in attending to the registration of motor vehicles and the collection of the payments for permits, licenses, etc., there would have to be highway officers on all the roads to see that the carriers did not transgress any of the regulations regarding the rate of speed, the width of vehicle and load, the length of vehicle or combination of vehicles, the weight of the load, the proper use and location of lights, the adequate equipment with brakes, windshield wiper, mirror, noise muffler, horn, etc.

Then, there are so many opportunities for transgression, wittingly or unwittingly, that if offences were treated as laid down in the law there would have to be such vast numbers of lawyers and magistrates employed, with all the other officials of the courts, that the regulative machinery would be encumbered—I might almost say throttled—with the mass of personal and material detail.

If anyone wishes to test these statements, let him turn to the Highway Traffic Act of Ontario and see the infinite aggregation of details which must be attended to by highway operators and the continuous enumeration of times "penalty" is provided for breach of these endless sections and sub-sections of rules. The Act looks as if all the provisions and penalties which could be thought about had been incorporated in it, and then a few added for good measure. It is well known and frankly acknowledged by most of the state public service commissions of the United States that their state highway regulatory laws are not observed nor enforced. In many cases there is no disposition to enforce them because this could not be done. It is equally true in our own provinces; and we are not transcending the truth when we say that adequate provision for enforcing regulation upon these highway carriers would involve such a mass of machinery, officials and expense that it would utterly break down.

Further Trouble Seen

3. But even if regulation were to be put into effect, and the classification of traffic now being worked out by the Canadian Industrial Traffic League in co-operation with the Automotive Transport Association of Ontario were to be put into operation, with appropriate rates for each class of commodities—as in the case of railways—would this solve the problem?

Far from it. Would all the carriers live up to the requirements concerning rates and divide up the traffic among them, when one of them, by cutting the rate secretly the least shade, could be deluged by cargo? Or, on the other hand, when shippers are so keen to get the lowest possible rates and there are so many carriers bidding for their traffic, many of the shippers would give their traffic to those who would get down to the lowest rate, and there would be pressure, therefore, from the side of these shippers to induce the carriers to cut rates. In the face of these conditions, with great numbers of motor carriers seeking business and many business firms endeavoring to enforce the lowest possible rates, all the forces of economic life would be at work to render futile a system of regulation.

4. Again, suppose that, for example, the motor carriers between Toronto and Guelph were to agree upon a certain rate below that charged by the railways, and the Ontario regulative authority were favorable to that rate. The normal outcome would be that the railways, in danger of losing all that traffic, would seek from the Board of Railway Commissioners of Canada authority to put into effect a lower competitive rate in order to hold a share of the traffic. The motor carriers would then push for still lower rates and the result would be the continuous see-sawing of rates and the clashing of the jurisdictions of the Board of Railway Commissioners with that of the Ontario regulative authority.

What is Best System?

Not to present further arguments along this line, let us revert to the question as to what is the best system under which both railway and highway carrier may operate in Canada.

If regulation of motor carriers would be involved in inevitable failure, the only system consistent with the welfare of the country—and it is the public welfare which is paramount—would be to place the motor carriers on the highway under the control of the railways.

I do not hesitate to say, after careful consideration of this matter from all angles, that the best interests of all would be promoted by effecting this relationship of the carriers. The railways should be encouraged to take over the carriage of traffic upon the highways and to make provision for this either by a department of the railways or by means of one or more subsidiaries under their control; and the provincial governments should cease the granting of permits and licenses to common and contract carriers in competition with the railways.

Let us note what would be accomplished by this means:

1. The railways, as the backbone of our transportation system, would be able to co-ordinate with themselves the agencies of highway carriage which would act as the feeders of and distributors from the great trunk routes of trade. Where traffic has to go but a short distance from its point of origin, the expense of taking it to the railway and having it carried by the railway to destination would be avoided. It is this short-haul traffic of the railways which does not pay its full share of the cost of handling; but the railway cannot afford to lose it entirely because it will pay **part** of the cost of handling, and it is better for the railway to get **some** return for the use of its facilities than to get nothing. Under these conditions the railway would get an interest in the handling of the traffic and would be able to use the most economical means of carriage. In so doing, each agency would be used in that service for which it was best adapted, and the motor trucks would not be used as now in all kinds of service indiscriminately without regard to economy.

2. By eliminating the ruinous competition of the trucks, the cream of the business would again come back to the railways. With the greater volume of traffic secured, the railways would be in receipt of larger revenues and it would then be possible for them to continue to carry the cheap, heavy and bulky raw materials of agriculture and industry at low rates. But if the good-paying traffic is taken away as at present by the motor trucks it will not be long before the railways will have to seek higher rates on the lower grades of traffic. This latter contingency would be derogatory to the development of the agricultural as well as industrial interests of the country.

3. By linking the motor trucks with the railways under the control of the latter, the burden of regulation which would otherwise have to be borne would be practically eliminated. By having the railways—the foundation of all our transportation—regulated, so that their rates are reasonable and nondiscriminatory, it would be to their advantage to see that their controlled motor carriers were engaged in service which was of the same character, for by this means a greater and greater amount of traffic would be available for carriage and a more favorable sentiment toward the railways on the part of the business community would be created. It is inconceivable that the railways, which are held to such rigid accountability in the matter of rates and services would in turn be any less exacting toward their operating carriers on the highway. Since, therefore, the railways would hold their highway operating equipment to their own high standards, there would be no necessity for direct regulation of the motor carriers. In other words, the railways with their great financial responsibility, their widely-extended systems and their excellent basic transportation structure are the logical agencies for developing a completely integrated and highly efficient system of highway transport, which would operate without any immediate provincial control.

Would Eliminate Anomalies

4. This method of co-ordination would eliminate many of the present anomalies. To mention only two: instead of the present monstrous system of paying deficits on the Canadian National Railways and at the same time licensing trucks in increasing numbers to take away the traffic from the railway and deplete its revenue still further, we should, by this proposed affiliation of the motor vehicle with the railway, be assisting the railway management in getting away from the era of deficits and getting on to a surplus basis. And, moreover, this would be done without any deterioration, but rather with improvement, of necessary highway facilities.

It would also remove the injustice of compelling the railways to pay taxes to aid in the construction and upkeep of highways for the benefit of motor trucks which operate to take away the railway traffic.

5. This co-ordination would not be injurious to any interests. The essential motor carriers would still employ the necessary, but not the unnecessary and predatory, men for the service. The motor manufacturers would still find sales for all the motor trucks which were required for the service, and these sales would be made to responsible companies (the railways) rather than to many irresponsible operators who are now on the highways. Moreover, if a shipper considered that the railway-motor rates were too high or the service inadequate, he would still have the opportunity of purchasing his own equipment and operating it to his own satisfaction.

In the foregoing, I have endeavored to show that regulation of motor trucks on the highways would be an utter failure, and that the most judicious solution of this problem would be to place the motor trucks under the control of the railways.

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DAMP WEATHER RETARDS THRESHING

Saskatchewan Wheat 63 Per Cent Threshed, Says Telegraph Report

From Our Own Correspondent

REGINA.—Threshing has made slow progress during the past two weeks according to telegraphic reports received over the week-end by the statistics branch of the Saskatchewan Department of Agriculture. The stooks were damp following the wet weather, but have dried sufficiently in most districts toward the middle of last week to permit threshing to be resumed. In a few cases, however, the stooks are still too damp to thresh.

About 63 per cent of the wheat is threshed and possibly half of the coarse grains. Much of the unthreshed wheat will suffer a loss of about one grade due to bleaching and in a few cases sprouting. Only a small amount of fall plowing has been done, although some cultivation has started in fields where the stooks have been removed. Livestock are in good condition, and where threshing is sufficiently advanced they now have the extra run of the stubble fields.

DUNLOP TIRE CO. DROPS DIVIDEND, WAS NOT EARNED

Balance Sheet Shows a Strong Liquid Position; Cash and Bonds High

After paying preferred dividends regularly during the years of depression, the directors of Dunlop Tire and Rubber Goods Co., Canada, have decided to take no action on the preferred dividend for the current quarter. In a letter to shareholders it was explained that dividend payments in the last two years had been considered proper by the directors because of the excellent financial condition of the company, "even though the dividend had not been earned during the second year." The directors state that it appears unwise to them to continue paying unearned dividends into the third year of depression.

The balance sheet for the year ending July 31, 1931, shows a very strong working capital position with current assets at $2,658,459 and the only current liability in accounts payable at $134,690. Cash, Province of Ontario and Dominion of Canada bonds alone amount to $1,158,080. Accounts and bills receivable, less reserve for slow and doubtful accounts amount to $572,421, and inventories to $896,870. The remaining item in current assets is made up of $31,088 for deferred charges and unexpired insurance. Deducting this, the total current assets would still be $2,627,371.

Real estate is shown at $208,107, buildings at $1,128,524 and plant machinery and equipment at $2,375,643, a total of $3,712,274. Patents, trade marks, etc., are shown at $941,205. The reserve on buildings, plant machinery and equipment is given at $1,541,082.

The capital stock consists of $600,000 of preferred shares on which the dividend has now been omitted and $4,962,500 of common stock. Profit and loss surplus is $73,666.

Details of income account are not given.

General Foods Declares Regular 75c Dividend

General Foods Corporation has declared the regular quarterly dividend of 75 cents a share on its no par value common stock. The dividend is payable November 2 to stock of record October 15.

Nfld. Trade Exhibition Off

Owing to an insufficient number of prospective exhibitors to assure its success, plans for the trade exhibition which had been projected by the Newfoundland Board of Trade have been abandoned.

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Broadcast Government Courses

The Saskatchewan government correspondence courses will be supplemented this year by radio broadcasts. The broadcasts will be made through co-operation of the radio broadcasting stations of the province and the provincial department of telephones. The latter will furnish the necessary hook-up of the stations. Among the subjects to be broadcast are English, French, German, Latin, history and science.

MacKINNON STEEL CORPORATION LIMITED

BOARD OF DIRECTORS

D. H. McDougall, Pres. J. L. McSweeney, Vice-Pres.
J. B. Woodyatt John Irwin H. W. Welsh
Hon. Walter G. Mitchell, K.C.

REPORT and STATEMENT

To the Shareholders:—

Your Directors submit the Report of the Company together with Balance Sheet and Profit and Loss Account for the twelve months' period ended 31st July, 1931.

The Company's plant and equipment have been kept in good condition during the year.

Stocks of manufacturing supplies on hand are suitable for the Company's requirements, and the inventories have been taken at conservative figures.

The Company's books have been audited and the certificate of Messrs. Price, Waterhouse and Company, the Company's Auditors, appears in the Financial Statement.

The marked depression in general business experienced during the second half of the previous year continued throughout the whole of the last year with a corresponding reduction in demand for structural steel.

Gross sales decreased substantially and operations at the plant were curtailed during the period.

The regular quarterly dividends at the rate of $7 per share for the year were paid on the Preferred stock.

The Company continues to maintain a strong liquid position. During the year $50,000 par value of Preferred stock was purchased and redeemed.

On July 1st 1931, a great loss was experienced through the death of Mr. James T. McCall, who had been a Director since the reorganization of the Company. Mr. McCall was very much interested in the success of the Company, and his sound judgment and knowledge of business were of great assistance to his colleagues.

The Directors wish to express their appreciation of the cooperation and loyal support given by the Company's officers and all employees during a difficult year.

The Company recently secured a contract for the steel work required in the construction of a new Highway Bridge at Yamaska, Quebec, and this will assist in providing work at the plant for some months.

By order of the Board of Directors.

(Signed) D. H. McDOUGALL, President.

September 17th, 1931.

COMPARATIVE BALANCE SHEETS
July 31, 1931 and July 31, 1930

ASSETS

	July 31, 1931	July 31, 1930
Current Assets:		
Inventories of Raw Materials, Supplies and Work in Process, less Reserve	$ 31,137.37	$ 67,562.25
Accounts Receivable, less reserve for doubtful accounts	41,689.84	169,157.35
Cash on hand and on Call loan	228,877.49	136,952.50
	$301,704.70	$373,672.10
Deferred Payments Receivable on Land Sold: Receivable in annual instalments over ten years with interest at six per cent	10,000.00	......
Prepaid Taxes and Insurance	1,690.83	3,087.82
Property Assets: Land, Buildings, Plant and Machinery	453,811.28	468,061.28
	$767,206.81	$844,821.20

LIABILITIES

	July 31, 1931	July 31, 1930
Current Liabilities:		
Bills Payable—Steel Acceptances	$ 6,585.12	$ 30,749.79
Accounts Payable, including Reserve for Income Tax	10,839.66	27,660.94
	$ 17,424.78	$ 58,410.73
Reserves:		
For Depreciation	$ 60,000.00	$ 42,000.00
For Preferred Stock Redemption	4,346.87	4,346.87
	$ 64,346.87	$ 46,346.87
Preferred Stock: 7% Cumulative Redeemable Convertible Sinking Fund First Preferred Stock:		
Authorized—10,000 Shares of $100.00 each	1,000,000.00	
Issued — 6,000 Shares of $100.00 each	600,000.00	600,000.00
Less: Redeemed and Cancelled	50,000.00	......
	$550,000.00	
Common Stock and Surplus: Capital Surplus—		
Balance, July 31, 1930	$ 77,247.61	$ 77,247.61
Discount on Preferred Shares Redeemed	5,043.75	......
	$ 82,291.36	$ 77,247.61
Profit and Loss, Balance as per statement attached	53,143.80	62,815.99
	$135,435.16	$140,063.60
Represented by 12,000 Common Shares without nominal or par value, out of a total authorized issue of 40,000 shares. NOTE:—11,000 of the unissued shares are applicable to the conversion of the outstanding Preferred Stock.		
	$767,206.81	$844,821.20

D. H. McDOUGALL, Director.
J. L. McSWEENEY, Director.

AUDITORS' REPORT

Audited and verified in accordance with our report dated September 17, 1931.
PRICE, WATERHOUSE & CO., Auditors.

COMPARATIVE STATEMENT OF PROFIT AND LOSS
For the Years Ended July 31, 1930 and 1931.

	Year ended July 31, 1930	July 31, 1931
Balance of Profit from operations, after deduction of Income Tax	(a) $102,815.55	(a) $50,307.48
Deduct: Depreciation on Plant, Machinery, etc.	24,000.00	18,000.00
	$ 78,815.55	$ 32,307.48
Add: Balance of Profits from previous year	30,347.31	62,815.99
	$ 109,162.86	$ 95,123.47
Deduct: Dividends Paid on Preferred Stock to August 1, 1931	$ 42,000.00	$ 39,427.50
Adjustment in Income Tax of 1930	......	2,552.17
Preferred Stock Sinking Fund	4,346.87	......
	$ 46,346.87	$ 41,979.67
Balance carried forward	$ 62,815.99	$ 53,143.80

(a) After deduction of Operating Reserve.

Utilities and Transportation

SASKATCHEWAN WOULD WELCOME PRIVATE POWER

Regina is Not Enamored With Municipal Enterprise Results

REGINA.—Since the provincial Government received the report of Professor Acres, of Toronto, to the effect that a hydro power development would be practicable on the Saskatchewan River at Horseshoe Bend, near Prince Albert, from which the cities of Saskatchewan might be served, there has been a good deal of speculation here as to the possibility of a private company being willing to undertake such work. Under existing conditions it is considered entirely unlikely that the Government of the province would attempt to carry this out as a Government enterprise in spite of the fact that heavy investments have been made in power development from coal and its transmission, through the provincial power commission.

Premier Anderson intimated some time ago at Prince Albert that the Government would not stand in the way of development by private interests, provided that the interests of the province could be protected. This represents a very decided change of attitude toward private power enterprises since the Government's commission entered the highly competitive power field in the province, and showed itself determined to prevent private interests from undertaking any further developments. The United Farmers' organization, scenting the possibility of an arrangement with a private company, declare that "private interests, like a flock of vultures, are hovering over the falls, ready to swoop down and devour their prey," and urge that no development be permitted until it can be undertaken as a Government enterprise.

In governmental circles, however, the tendency is rather to wonder whether private capital could be persuaded to undertake the enterprise than to put any obstacles in its way. This is particularly the case because a certain amount of dissatisfaction is beginning to make itself felt in Regina in connection with the operation of the municipal electric system, which has had a number of minor breakdowns lately. The needs of additional capital commitments and the possibility of operating losses are also attracting attention.

A company which could and would proceed with a northern hydro development would be warmly welcomed.

C. N. R. TO POSTPONE WORK ON TERMINAL

Decline in Revenue Makes Management's Decision Necessary

From Our Own Correspondent

MONTREAL.—Canadian National Railways will postpone further expenditure upon its $46,000,000 terminal plans in Montreal. The management has announced that it is now apparent the railway will be able to provide from earnings, little, if any, toward the $57,000,000 required revenues, and after careful consideration and conference with the government, it has been decided to postpone further work on the terminal development.

It is stated, however, that the work will not be closed down entirely, as there are certain features now in course of construction that will require to be completed. Meanwhile, the management wishes to point out the present action involves suspension only and with a general improvement of business and stabilization in the financial situation, it is looking forward to completing plans which it has in view.

Work Has Progressed

Work was started over a year ago on the terminal plan, most of the excavation for the foundations of the new station building having been made. Right-of-way from the new station to the Victoria bridge over the St. Lawrence River has been cleared of buildings and partially excavated. Many of the buttresses to support over-head tracks have been built. A bridge which is to carry Dorchester Street over the station yards is almost completed and this phase of the work will be concluded immediately.

SURCHARGE RATES FIXED BY BOARD

Railway Commissioners Provide For Dollar Discount

From Our Own Correspondent

MONTREAL.—Surcharge rates of 10 per cent on international freight shipments and 16 per cent on passenger business has been set by the Board of Railway Commissioners for Canada; the rate to be effective in the first two weeks of October. Due to fluctuations of the Canadian dollar and its influence on international freight and passenger business, the board has set a standard rate of 16 per cent premium for New York funds.

Reverting to the practice initiated in 1921, the board fixed the standard surcharge for freight business at 60 per cent of the pegged exchange rate. The effect will be that, irrespective of the value of the Canadian dollar in New York, Canadian buyers of United States goods will pay 10 per cent surcharge in addition to the freight charges. Value of goods does not enter into the transaction.

The fixed surcharge, after being collected by the Canadian railways will be divided with the United States carrier on a pre-arranged plan, mileage being one of the main factors.

Passenger surcharge will be based on the full pegged exchange rate of 16 per cent. When a ticket for a United States point is purchased at a border point, the full rate of 16 per cent will be charged; under the order of the board a sliding scale will be operated under which the distance in Canada from the border line will determine the percentage of the surcharge.

Public Utility Earnings

Canada Northern Power

	1931 $	1930 $	Incr. $
August:			
Gross earn.	277,560	253,188	24,372
Oper. exp.	88,694	87,075	1,619
Net earn.	188,866	166,113	22,753
8 Mos. ended Aug. 31:			
Gross earn.	2,200,235	2,087,208	113,027
Oper. exp.	700,305	680,240	20,065
Net earn.	1,499,930	1,406,968	92,962

Central Electric Output Shows Gain in August; Quebec Figures Higher

Ontario Production Continues Steady Decline

INCREASE IN B. C.

Prairies and Maritimes Hydro Power Figures Drop Below July

From Our Own Correspondent

MONTREAL—Output of central electric stations in Canada during August showed a slight increase over July, the gain being chiefly due to an appreciable improvement in Quebec production. A slight gain was also recorded in British Columbia, but Ontario, the Prairie provinces and the Maritimes all showed reductions as compared with July figures.

Total output in August was 1,251-715,000 k.w.h., an increase of about 4,000,000 k.w.h. over July but a decrease of 193,220,000 kw.h. from August 1930. For the eight months ended August, total output was 10,775,058,000 kw.h., which was 1,012,439,000 kw.h. below production in the first eight months of 1930.

Average daily output of all central electric stations in August was 40,378,000 kw.h. compared with an average of 40,239,000 kw.h. in July, while average daily output in August, 1930, was 45,544,000 kw.h.

Quebec Output Gains

Hydro-electric production in Quebec amounted to 644,446,000 kw.h. in August compared with 620,634,-000 kw.h. in July. August figures this year however, were well below those of the same month in 1930 when output was 710,842,000 kw.h.

In the first eight months of this year, output of power in Quebec showed declines as compared with the same periods in 1930 and 1929. Following are comparative figures for the eight months period ended August 31 in the past three years.

	Thousands of Kw.h.
1929	5,572,515
1930	5,822,689
1931	5,421,202

Ontario Still Declines

Ontario, the second largest producer in Canada, continued its decline in production, which has fallen steadily since March of this year. Output in August was 352,877,000 kw.h., a drop of some 16,500,000 kw.h. compared with July, while in August, 1930, output was 457,424,-000 kw.h..

Cumulative figures to the end of August reflect the lower production recorded this year and output in that period compares unfavorably with the two previous years. Following are comparative figures covering eight months' production:

	Thousands of Kw.h.
1929	4,028,022
1930	4,004,835
1931	3,255,027

Improvement in B.C.

The only other province to record improvement in August, with the exception of Quebec, was British Columbia which produced 93,900,-000 kw.h., an increase of about 4,000,000 kw.h. over July. Production in August, 1930, however, was 96,075,000 kw.h.

Output in the eight months ended August, 1931, showed gains over the same period in the preceding two years; following are comparative figures:

	Thousands of Kw.h.
1929	707,628
1930	725,974
1931	782,529

Prairie Output Off

In the Prarie Provinces, hydro-electric production showed a slight decline in August, totalling 98,-119,000 kw.h. compared with 100,-494,000 kw.h. in July. August production this year, however, showed improvement over the same month in 1930, when production was 84,-925,000 kw.h.

Cumulative figures to the end of August still show improvement, and are as follows:

	Thousands of Kw.h.
1929	787,712
1930	734,415
1931	792,782

Maritimes Show Drop

In the Maritime Provinces, central electric station output was 44,-924,000 kw.h., compared with 50,-712,000 kw.h. in July, 1931, and 41,788,000 kw.h. in August, 1930. For the first eight months of this year, however, output shows substantial gain as illustrated by the following figures covering output in the first eight months of the past three years:

	Thousands of Kw.h.
1929	120,144
1930	304,811
1931	363,726

The figures shown above refer only to energy generated by water power. Production generated by fuel, largely confined to the Prairie Provinces, is relatively small and does not materially affect the total. In August, power generated by fuel amounted to 17,449,000 kw.h. compared with 16,781,000 kw.h. in July. Of this amount, 12,905 kw.h. was produced in the Prairie Provinces.

Average daily output in Quebec during August was 20,789,000 kw.h., an increase of about 769,000 kw.h. compared with July, but a decrease of nearly 2,000,000 kw.h. compared with August, 1930. Ontario's average daily output was 11,383,000 kw.h. compared with 11,913,000 kw.h. in July and 14,756,000 kw.h. in August, 1930.

Can. Northern Power August Earnings Gain

From Our Own Correspondent

MONTREAL.—Net earnings of Canada Northern Power Corp., subsidiary of Power Corp. of Canada, in August. amounted to $188,866, compared with $166,113 in August, amounted to $188,-866, compared with $166,113 in August, 1930, an increase of $22,752. Gross earnings for the month showed an increase of $24,371 at $277,560, but operating expenses at $88,694 were higher by $1,619.

For the eight months ended August 31, 1931, Canada Northern Power Corp. records a gross revenue of $2,-200,235, an increase of $113,027 over the corresponding period of 1930. Operating expenses were higher by $20,065, leaving net earnings for the eight months at $1,499,930, an increase of $92,962, or 6.6 per cent.

Electrical Exports Increase in August

From Our Own Correspondent

MONTREAL.—Exports of electrical energy in August showed an improvement over the previous month amounting to 99,740,000 kw.h. compared with 95,085,000 kw.h. in July. Figures for August, however, show a sharp reduction from those of the same month last year when they totalled 142,571,000 kw.h.

In the first eight months of the current year exports of power were 903,772,000 kw.h. a decline from the 1,013,741,000 kw.h. recorded in the same period last year. Though exports showed an increase in the first three months of 1931, succeeding months have witnessed a steady reduction as compared with corresponding months in 1930.

MANITOBA POOL IS NOW MERELY ELEVATOR CHAIN

Principal Shareholder is Provincial Government

From Our Own Correspondent

WINNIPEG.—Since the beginning of the crop year the Manitoba Wheat Pool has entirely discontinued the handling of grain. Its employees have been practically all paid off although a small amount of clerical work from last year remained to be done after the crop year was completed. It is Manitoba Wheat Pool Elevators Ltd., a company which was formerly owned and controlled by the Manitoba Wheat Pool, but which has been entirely reorganized, upon a different foundation entirely, which is carrying on the operation of the country elevators which formerly comprised the pool system. The members of the latter company discussed changing its name, in order to mark its different status, and while this step has not been carried out, it is understood to be still in contemplation.

Not only are wheat pool members no longer bound by their contracts to deliver grain to the Manitoba Wheat Pool, but such grain would not be accepted if offered for delivery. But to take care of farmers in Manitoba who still desire to pool wheat, Manitoba Pool Elevators is accepting grain and undertaking to pool it, provided the farmer signs a document authorizing the handling of his grain in such manner. No similar provision is made for other grains than wheat. There are a few farmers making use of this service, but the number is decidedly small. A very large part of the grain so far marketed in Manitoba has been sold direct to country elevators as soon as delivered at prices prevailing for the day.

Government Chief Owner

The country elevators of the Manitoba Pool system, at the time of reorganization, were nominally leased to local associations, although operation was actually carried on by the central company. The existence of these local associations has been continued under the new organization. The Government of Manitoba which acquired control of the elevators in connection with its guarantee of wheat pool loans, is actually the principal shareholder at the present time, but the scheme in effect contemplates that the local associations will ultimately acquire the Government's shares. Manitoba Pool Elevators is operating the terminal elevator at Port Arthur which was owned, subject to mortgage, by Manitoba Pool but published announcements have not yet indicated whether title to this elevator has been continued in the Manitoba Pool, or whether it has been transferred, either to the Government or to Manitoba Pool Elevators. Another terminal elevator, formerly operated under lease by the Manitoba Pool, has been abandoned by that organization, and has not been taken over by Manitoba Pool Elevators.

No Meeting This Year

The Manitoba Wheat Pool would ordinarily have been expected to hold an annual meeting this year, probably in November. It has been officially intimated, however, that no such meeting will be held until after the marketing of the 1930 crop, handled through Canadian Co-operative Wheat Producers Ltd., has been completed. Nominally the Manitoba Pool has yet to make final accounting to its members in connection with the crops of 1928, 1929 and 1930. It is known that completion of marketing of the 1928 crop left a small balance, theoretically available for distribution to members, but that the amount in question was involved in the financing of the 1929 crop, upon which the pool's heavy loss was experienced. Whether, under the arrangements between the Governments and the banks, anything further can be paid out on the 1928 crop is still doubtful. Although marketing of the 1930 crop has not yet been completed, the course of prices has given little hope that there will be anything additional to pay pool members, who received initial payment on the basis of 50 cents a bushel for most of their wheat. But there may be some complications to straighten out because some pool members, in the early part of last season, were paid on the basis first of 70 cents, and later of 60 cents a bushel for their wheat.

The Central Selling Agency, Canadian Co-operative Wheat Producers, Ltd., under the management of John I. McFarland will continue active only until sale of the 1930 crop has been completed. Already a number of its offices have been closed, and the services of most of its former employees have been discontinued.

The Manitoba situation is quite different from that in Saskatchewan and Alberta, where the original pool organizations are carrying on, although with most of their grain handled on an open market instead of on a pooling basis.

CUSTOMER OWNERS BUY MORE SHARES

U. S. Utilities Sold 15 Per Cent More in 1930

From Our Own Correspondent

MONTREAL.—During 1930, utility companies in the United States sold their customers 1,671,616 shares of stock, an increase of 15 per cent over the preceding year. A total of 115,018 customers purchased stock in 1930, a gain of 30 per cent over 1929, according to the annual report of the customer ownership committee of the National Electric Light Association.

Of the returns received for the year 1930, reports of 127 companies supplied complete data. At the end of the year, four-fifths of the total stock of these companies was in the hands of 628,512 individuals, of which 28,237 were employees, 443,510 were customers and 156,765 were individuals outside of the territories served. One of every three employees of these companies held stock, according to the report.

Started in 1914

The year 1914, the report states, saw the inception of the customer ownership sales activities in the industry. Sales reached their peak in 1927, totalling 3,581,206 shares.

The report anticipates that about 25 per cent of the capital required for investment in the industry during the next ten years will come from the sale of preferred stock, and a substantial part of this should, and doubtless will be, supplied through customer ownership.

Associated Telephone Earnings Show Gain

From Our Own Correspondent

MONTREAL. — Consolidated net earnings of Associated Telephone and Telegraph Co. in the first six months of the current year were $2,466,982 compared with $2,434,565 in the same period in 1930. These figures are after operating, maintenance, selling and general expenses, taxes and depreciation. Net earnings on the same basis for 1930 were $4,948,450.

In the first half of this year earnings of $1,005,379 were available for dividends on the company's preferred and common stocks as compared with $939,612 in the corresponding period of the previous year. The six months statement shows the preferred dividend covered over nine times. After allowance for all prior charges, earnings on the class "A" stock were at the rate of $12.71 a share per annum. An extra dividend at the rate of $2 a share a year on the class "A" over and above the regular $4 rate has been paid since January, 1930.

Associated Telephone and Telegraph Co.'s principal interest in Canada include B. C. Telephone Co. and the Eugene Phillips Electrical Works.

B. C.'s New Airport Built

Vancouver's new civic airport at Sea Island has cost in land purchase and development to date approximately $570,000. Slightly more than $300,000 of this has been spent on the building of hangars, runways and administration offices, the remainder, excepting for a balance in hand of $34,000, on the purchase of land.

Invest Small Amounts At 5% or More

At existing prices—the lowest that have prevailed for seven years—those with small sums to invest may do so to unusual advantage. Bonds may be obtained in denominations of from $100 to $1,000, to yield from 5% upwards in the case of Canadian Government securities or from 5.10% upwards in the case of strong municipalities.

Write for our new list, which contains a selection of these bonds.

Wood, Gundy & Company Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

COLONIAL AIRWAYS TRAFFIC WAS LOWER

Efficiency of Operation Showed Betterment Last Year

From Our Own Correspondent

MONTREAL.—A decrease in mail poundage and paying passengers but an increase in efficiency of operations was recorded by Canadian Colonial Airways in the year ended September 30, 1931. The company operates a Montreal-Albany and New York service, inaugurated on October 1, 1928.

Of 313 flights scheduled in the last twelve months, Canadian Colonial Airways completed 293 as compared with 288 in the previous year. The 1931 figures represent a percentage efficiency of 93.9, compared with 92.9 in 1930.

Mail Poundage Dropped

Mail poundage in the last year was 15,356 pounds, compared with 22,421 pounds in 1930, while there were carried 381 passengers as compared with 444 in the previous period.

Following are figures for the past three years ended September 30. It should be noticed that the northbound carryings of the company are not included, as only the south-bound service is operated by Canadian Colonial Airways:

	1931	1930	1929
Flights Sch.	313	313	313
Flights Comp.	293	288	291
Per cent Eff'icy	93.9	92.9	91.3
Mail poundage	15,356	22,421	20,501
Miles Sched.	62,600	62,600	62,600
Miles Flown	58,824	58,165	57,201
Pass. Carried	381	444	258

Can. National Records Decrease in Revenue

From Our Own Correspondent

MONTREAL. — Net operating revenue of the Canadian National Railways in August, 1931, was $514,034, a decrease of $1,752,948 from the net of August, 1930.

This decline is recorded despite an increase of $3,005,220 in operating expenses as compared with the figure for August, 1930.

Gross revenues in August, 1931, were $14,309,810, a decrease of $4,758,-169, compared with August, 1930. Operating expenses for the month were $13,795,775 against $16,800,995 in the same month last year.

In the eight months ended August 31, 1931, gross revenues were lower by $30,736,310 at $117,392,910. Operating expenses were cut by $16,970,-891 but net revenue at $2,178,688 showed a decrease of $13,765,419 as compared with the first eight months of 1930.

Edison Electric to Seek Approval for New Rates

From Our Own Correspondent

MONTREAL. — Hearing of the application of the Edison Electric Light and Power Co., subsidiary of Nova Scotia Light and Power Co., for approval of a new schedule of rates will be heard before the Nova Scotia Public Utilities Commission on October 28. The company serves Springhill and vicinity.

The new schedule of rates is designed to modernize an old schedule which was put in effect before the present Public Utilities Commission was organized in 1909. Radical changes are sought.

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News of Investment Markets

EXCHANGE RATE AFFECTS BONDS PAYABLE IN N.Y.

Security Holders Have Option of Taking Payment in U.S. Funds

With United States funds running at a premium of around 13 per cent and higher, Canadian holders of securities payable in United States funds are in a position to secure a very substantial increase on bond interest and dividend payments coming due as long as the present exchange situation exists. The phrase found on so many Canadian bond certificates: "Principal and semi-annual interest payable at the option of the holder in Canadian gold coin at —— in Canada or in United States gold coin at ——in New York City or in gold coin of the United Kingdom of Great Britain at ——in London, England," takes on a new significance at this time.

Most of the principal government, municipal and corporation bond financing undertaken in Canada since the war years carries the above pledge as to payment of principal and interest. The holders of such securities may therefore demand payment of interest, and principal when due, in New York funds. This is comparatively easy when the bonds are in bearer form since the interest coupons can be deposited in a Canadian bank with the request for payment in United States funds and payment is thus made subject only to handling charges made by the bank. In the case of fully registered bonds the payment would be made direct by cheque in the funds of the country originally designated by the investor. In at least one outstanding case, Beauharnois Power Corp., a Canadian corporation has accepted the return of cheques made payable in Canada and has issued new cheques made payable in New York funds. It is believed, however, that comparatively few of the registered bondholders took advantage of this opportunity. There is, of course, the possibility of holders of fully registered bonds exchanging their certificates for bearer bonds.

Maturities Exceed $77,500,000

But while the Canadian investor benefits by taking advantage of the premium on New York funds the Canadian government, municipality or corporation whose obligations are payable in New York must meet the difference in exchange and in many cases this may prove an onerous burden.

Canadian bonds maturing up to December 31, 1932, and which are payable in United States funds at the option of the holder, total some $77,500,000. Of this amount, only some $9,500,000 is payable this year. Over half of the total for the next year is made up by the $40,000,000 of Dominion of Canada 4 per cent treasury notes due December 1, 1932. There are some $24,000,000 of provincial obligations maturing which may be subject to payment in New York and about $7,000,000 of municipal obligations in the same category. Corporation issues amount to $9,924,500 or more.

Interest payments are more difficult to ascertain. The Dominion of Canada has interest charges of over $118,400,000 to meet on unmatured funded debt but of this amount only $15,352,045 is payable in New York, while $11,142,780 is payable in London, England, only. In the latter case exchange would benefit this country. The Canadian provinces will pay interest amounting to over $45,000,000, of which possibly over $40,000,000 might be payable in New York funds while Canadian municipalities will pay out over $65,000,000 in interest and corporations over $100,000,000. Interest payments during the period of a year which might be payable in New York funds would probably aggregate $150,000,000.

Provinces Are Hit

The drain on the treasuries of the various borrowing corporations through having to meet interest and principal payments in United States funds, which can only be secured at this time at a substantial premium is causing serious consideration. This is particularly so in the case of the various governments who are faced with increasing expenditures and decreasing revenues. If the present exchange situation continues, a number of the provinces that secured short term money at what seemed to be most reasonable terms early in 1931 and in 1930 will find that when their loans are paid off they have had to pay a heavy rate for their loan. The whole situation depends, of course, upon whether the present premium on New York funds will continue for any length of time.

British Columbia is faced with maturities of $7,000,000 in November, 1931, and $8,225,000 late in 1932. Ontario must meet several serial installments amounting to over $3,100,000 within the next eight months. Saskatchewan has $5,000,000 of obligations coming due; New Brunswick has $1,890,000 and Manitoba, late in 1932 has $2,444,000.

The list of maturities to the end of 1932 is as follows:

Due Date	Borrower	Amount Maturing	Payable in
Nov. 1	B.C.	4,000,000	Can., N.Y.
Nov. 1	Ont.	800,000	Can., N.Y., Lon.
Nov. 25	B.C.	3,000,000	N.Y.
Dec. 1	Sask.	500,000	Can., N.Y.
Dec. 1	Ont.	700,000	Can., N.Y.
Jan. 15	Ont.	800,000	Can., N.Y., Lon.
Jan. 15	Ont.	961,000	Can., N.Y., Lon.
Jan. 16	N.B.	1,890,000	Can., N.Y.
Feb. 16	Sask.	3,000,000	Can., N.Y.
May 15	Ont.	352,000	Can., N.Y., Lon.
May 15	Ont.	312,000	Can., N.Y., Lon.
June 29	B.C.	210,000	Can., N.Y.
Sept. 1	Sask.	1,500,000	Can., N.Y.
Nov. 1	B.C.	4,000,000	Can., N.Y.
Dec. 1	Dom. of Canada	40,000,000	Can., N.Y.
Dec. 15	B.C.	4,015,000	Can., N.Y.
Dec. 15	Man.	2,444,000	Can., N.Y.

Chief among the corporation bonds that will fall due during 1932 and which are payable on option in the United States are the 4½ per cent first mortgage bonds of Montreal Light, Heat & Power Consolidated of which $7,500,000 are payable in Montreal or New York on January 1. There is also $1,309,500 of gold notes of National Grocers due on August 15, payable in Chicago and New York. The five per cent first mortgage bonds of Cape Breton Electric Co. are due January 1 but during the past year the assets of the company have been sold by the bondholders. The six per cent three-year notes of Fraser Companies mature on July 1, 1932, to the amount of $3,500,000.

Bond Flotations Remain Above Previous Levels

Despite a small volume of financing in September the total of $338,185,690 of Dominion, provincial and municipal financing for the first nine months of 1931 remains substantially in excess of the volume in the same period of any year since 1924, according to figures compiled by Wood, Gundy & Co. In addition, there has been a greater proportion of new issues actually placed in Canada, the proportion being about 65 per cent as compared with some 46 per cent in the same period of 1930.

The record for the first nine months of the current year as compared with the corresponding period of the previous ten years is as follows:

1921	$230,049,965
1922	333,584,050
1923	330,149,097
1924	421,282,740
1925	299,750,006
1926	208,315,057
1927	184,399,147
1928	79,467,742
1929	176,018,067
1930	284,532,536
1931	338,185,690

Corporation financing has taken a very sharp drop, not only in equities but in bonds and debentures. September sales were the lowest for the past five years. The following table indicates sales of the various classes of securities during the first nine months of 1927 to 1931. The Dominion of Canada conversion loan represents a refunding operation and is handled separately.

	1927 $	1928 $	1929 $	1930 $	1931 $
Dominion, Province, Gov't. and Municipal	184,399,147	79,467,742	176,018,067	284,532,536	338,185,690
Conversion loan	....	....	....	....	639,816,500
Corporation bonds	181,766,800	225,122,000	210,410,000	199,638,000	54,342,500
Preferred stocks	40,233,300	116,065,700	78,973,000	7,630,000	3,518,450
	406,399,247	420,655,442	465,401,067	491,800,536	1,035,863,140

Gold Basis Differs In Various Countries

Much Perplexity Because Even in Canada Definitions Vary—Chief Criterion is Payment of Dominion Notes in Gold on Demand

Much talking at cross-purposes with reference to Canada being on or off the gold basis arises from the different definitions which those talking have in mind. When a business man states that it is all nonsense for anyone to state that Canada is on the gold standard he is moved to that view by the fact that Dominion notes are not readily exchangeable for gold and that unrestricted import and export of gold no longer obtains. When Premier Bennett says Canada is still on the gold basis he apparently is thinking of the fact that he is making every effort to conserve and increase the Government's gold reserves and that he intends at present to pay in gold or its equivalent governmental obligations for bond principal and interest due in the United States from time to time.

Should Redeem in Gold

Canada is listed in an official bulletin of the League of Nations among those countries where gold is exported and imported without restriction and among the countries "which are legally required to redeem only in gold." Canada removed the control of gold exports in 1926. Those who deny that Canada is in actuality on the gold standard are thinking of the restrictions now placed on export. Others regard it as legally on the gold standard as long as there is redemption in gold while still others regard it as on the gold standard so long as there are some exports of gold and some redemption of notes.

The latter view may be regarded as the official view while others believe that the official view is not tenable when difficulties of redemption are as great as at present. The doubters deny that size of gold reserve or that a policy of conservation has anything to do with the matter. Their only test is, does the Government pay gold for Dominion notes and other gold obligations on demand? It might, according to one view, let the gold behind Dominion notes sink to $12,500,000 by rearranging issues under three different acts empowering issue and still be on the gold basis so long as gold was always paid on demand when Dominion notes and gold obligations were presented. The Government might put $2 in gold behind every dollar in Dominion notes and be off the gold basis if it did not redeem its promises in gold, the same people argue.

The matter is further confused in many people's minds because there are quite important legal differences between the gold basis as it is officially regarded in Canada and the United States, the gold bullion basis as it was until recently in England and the gold exchange standard adopted by a number of European countries who do not keep central gold reserves in their own territory.

Great Britain, under the Gold Standard Act of 1925, was bound to sell gold bullion to any person who made a demand at the Bank of England head office with legal tender at the price of £3 17s. 10½d. per ounce troy of gold "but only in the form of bars containing approximately 400 ounces troy of fine gold." This shut out anyone with less than $8,000.

Gold Exchange Standards

Then there are the various gold exchange standards adopted by Italy, Greece, buffer and other small states in Europe and elsewhere which had not necessarily any gold supply in their respective countries but which had behind their notes the legal tender currency of foreign gold standard countries on the ground that such currency was by law and in practice convertible into exportable gold and such as may be notified for immediate delivery in such country or countries. An important way of maintaining the gold exchange standard was to have balances standing to the credit of the central bank of the country with a gold exchange standard in the central bank of a foreign country on the gold basis. The gold exchange countries were greatly frightened by the action of Great Britain in going off the gold bullion standard and their desire to get their reserves in a liquid state explains in part the ear-marking of $385,000,000 in gold for foreign account at Washington.

BOND MARKET MORE STABLE; PRICES ARE UP

Federal Obligations Are Offered to Yield 5 Per Cent

Canadian bond prices have shown signs of stabilization during the past week with the full effects of the latest Hoover proposal not as yet indicated. Prices have been somewhat stronger although demand is still very weak but the whole situation is much more satisfactory than was the case during the last two weeks of September. It is now considered probable that the low point may have been reached at the end of September. Exchange rates have tended to show a firmer tone.

Liquidation of Canadian securities held in the United States has forced Canadian bond prices to levels that would seem absurd under any other than the abnormal conditions that are now existing throughout the world. Investors who would normally be only too eager to buy sound securities at the low prices prevailing have been restrained by an entire lack of confidence in the general economic situation. The stability of the Dominion and Provincial Governments remains unquestioned but the tangled skein of world economics makes it difficult, if not impossible, to weave a true picture of future possibilities and Canadian investors, in common with investors throughout the world, have taken the most cautious course and deferred commitments.

One prominent investment banking firm in Toronto has been the first to take public cognizance of the drastic change in bond prices and during the past ten days has advertised retail offerings of Dominion and Dominion guaranteed issues in specific amounts at specific prices to yield 5 per cent. This action, initially taken at a time when prices were demoralized, is generally regarded by investment bankers as a constructive move and more dealers can be expected to take a definite stand in the next few weeks. The advertisements appeal to private investors on the basis of highest security combined with a yield over a period that has not been equalled for a long time. The response is understood to have been satisfactory from a sales standpoint although this was not the only motive in making the offerings.

Retail prices of Dominion guaranteed issues in the first part of September were such as to yield a return of around 4.60 per cent while conversion bonds gave a return of around 4.40 per cent. The Dominion 4½'s of 1944 were around a 4.30 per cent basis. Usually the spread between bid and asked prices on the latter issue was under a quarter of a point but, with the confusion existing immediately following Great Britain's departure from the gold standard, the spread went up to as much as five points. Acceptance of the change in price level and the firm offering of Dominion bonds on a 5 per cent yield basis is regarded as having brought about a certain amount of stability in retail prices.

New provincial and municipal financing is temporarily at a standstill since investment bankers will take on no new commitments at this time unless a definite market is assured. Institutional investors are understood to have met their investment requirements for the next few months in most instances and any new financing by provinces or municipalities cannot be placed to best advantage at the present time.

EXCHANGE HELPS SOME DIVIDENDS PAID CANADIANS

Canadians Gain Premium on Payments Made in U. S. Funds

Canadians who hold dividend-paying stocks of American companies and in some cases of Canadian companies in which there is a strong United States' interest will gain an advantage through dividends being paid in American funds which can be translated into Canadian dollars on a very favorable basis. International Nickel, International Petroleum and General Foods Corporation have already indicated this advantage by paying Canadian dividends in American funds.

It is interesting to note that though International Petroleum dividends are paid in United States funds, dividends on Imperial Oil, Ltd., will continue to be paid in Canadian funds as usual. Brazilian Traction Light and Power Company dividends are paid in Canadian funds which will be beneficial to shareholders in England where the pound is depreciated to a greater extent than is the Canadian dollar, but it will work against shareholders who live in the United States or anywhere else where the money has not fallen with respect to the Canadian dollar.

The position of Barcelona Traction is somewhat complicated by the fact that the peseta has declined materially during 1931 on account of revolutionary disturbances as well as the world's general economic situation. Dividends on Barcelona stocks are ordinarily payable in dollars, the prior lien bond interest in sterling, the first mortgage, bonds in pesetas, pounds and francs.

Borden Shareholders Gain

Shareholders of Bordens in Canada who got their stock in an exchange of their shares in Canadian companies for the stock of the great American dairies company will gain an unforeseen advantage through receiving American funds in their dividends.

Famous Players shareholders who exchanged Paramount Publix lose that advantage at present in view of the fact that they are receiving stock dividends instead of cash during the last quarter. Of course, the dividends in stock could be liquidated on the New York stock market and the New York funds thus received, exchanged for Canadian dollars or deposited in New York. However, the present low value of the Paramount common on the New York Stock Exchange makes the stock dividend so much under the former cash dividend that it is probable most holders in Canada will await the events of the next six months or year before liquidating. Dividends from International Utilities Corporation, which has its head office in New York City, are also expected to benefit shareholders in Canada by reason of the difference in exchange.

May Leave Money Here

On the other hand, United States shareholders in Canadian companies, and their interest is in bulk very large, will lose out through dividends continuing in Canadian funds. Some think that this will have a beneficial reaction on the stock market through many of the holders keeping their money in Canada and investing in Canadian securities rather than discounting the Canadian dollar by taking their funds to the United States. This possibility has been discussed in the case of large American corporations like General Motors, Ford, Standard Brands, General Electric, and holders of stock in Canadian Oil Companies, Canadian Pacific, Dominion Stores, Famous Players, International Milling, Kelvinator, Shawinigan, Sherwin-Williams and Walkers.

Payments on Fanny Farmer in United States funds would benefit Canadian shareholders. Moore Corporation would benefit from funds coming from its United States subsidiaries and so would Page-Hersey and Service Stations. And Canadian shareholders of Twin City would benefit if and when dividends are paid.

B. C. Power Corp. dividends are payable in Canadian funds while bonds are payable in Canadian, New York and sterling funds. B. C. Electric Railway issues are payable in sterling only. Western Power Co., a subsidiary, pays interest in Canada, New York and London. Canada Steamships first mortgage and debenture stock interest is payable in Canada, New York, and London. So is International Power debenture interest.

Dividends on Porto Rico Power common are payable in N. Y. funds.

Shawinigan Water & Power dividends are payable in Canadian funds and bond interest in Canada, New York and London.

Sherwin-Williams dividends are also payable in Canadian funds.

Dom. Steel and Coal bond interest is paid in sterling or Canadian funds according to registration. Dominion Coal interest is payable in Canadian, United States or British funds. Nova Scotia Steel and Coal interest is payable in Canadian dollars or sterling.

CAN. BAKERIES EARNINGS DOWN, SURPLUS LOWER

Company Paid Interest and Preferred Dividend

Operating profit of Canadian Bakeries before depreciation of $101,230 and bond interest for the year ending August 31, amounted to $127,683 as compared with $192,934 in the previous year before depreciation of $161,143 and bond interest. Appropriations deducted amounted to $201,283, covering depreciation bond interest of $48,002 and dividends on first preferred stock of $52,050. This left a deficit for the year of $73,600 which reduced the surplus of $74,422 at the beginning of the year to $821.

INCOME AND SURPLUS ACCOUNT
Years Ended Aug. 31

	1931 $	1930 $
Net earnings	116,524	192,934
Less: Deprec.	101,231	161,144
Bond int.	48,002	48,880
Inc. taxes	......	10,500
Bond sink. fund	......	14,157
1st pref. S. F.	......	10,000
Loss for year	32,709	51,747
Other income	†11,158	......
	*21,551	51,747
Less appropriations:		
1st pref. divs.	52,050	67,025
2nd pref. divs.	......	70,000
Deficit for year	73,600	188,772
Add: Prev. surplus	74,422	234,784
Trans. from deprec. res.	......	35,910
Less: Fees and bonuses (1929)	......	7,500
Balance forward	822	74,422

†Includes $8,842 on redemption of 1st preferred shares and $2,315 on redemption of 1st mtge. bonds.

Working capital is shown at $286,728 as compared with $270,863 at the outset of the year. Current assets dropped during the year from $529,456 to $390,982 and current liabilities from $258,593 to $104,254. Cash was up from $64,555 to $76,070, receivables down from $273,292 to $210,022, and inventories down from $191,609 to $104,890.

Current liabilities showed the following major changes: payables down from $153,300 to $86,120, preferred dividend payable from $34,125 to $9,300 and tax provision from $16,728 to $8,834, while there is no liability this year to set against $30,000 for bank loan and $24,440 for bond interest due last year.

Fixed assets are shown at $1,845,331 after a further write-off for depreciation of about $93,000. First mortgage bonds stand at $710,800 after redemption of $27,700. Redemption of $20,000 in 7 per cent first preferred stock left amount outstanding at $930,000. No provision was made to redeem $10,000 of 1st preferred stock on August 31, 1931.

Bond Tenders

Montreal Catholic School Commission will call for tenders for the purchase of $700,000. Bearing interest at a rate not exceeding 5%, 30 years, and payable in Canadian funds. This issue will be a renewal of the temporary loan made through the issue of $700,000 of bonds, 6%, dated November 1, 1921, and maturing November 1, 1931. Jean Cagrain, sec.

6 p.m., Oct. 12, Smiths Falls—$75,000 5 per cent 20-instal. debentures for purchasing industrial sites. Payable annually. J. A. Leuris, clerk.

Oct. 20, Howick School Municipality—$8,000, 5½ per cent bonds. T. Gebbie, sec.-treas.

Oct. 21, School Commission of Chicoutimi—$19,000, 5½ per cent, 15 year serial bonds. J. Blackburn, sec.-treas.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Dom. Glass Co.	*6%	1933	Dec. 2	110
B.C. Telephone	*4%	1932	†Nov. 1	105
Cascade Water Power	4½%	1940	†May 1/32	100
Interlake Tissue Mills	*6%	1935	Feb. 1/32	101
Maine & N.B. Electrical Power	*6%	1948	Jan. 1/32	107½
Northern Electric	*5%	1939	Dec. 1	105
Imp. Realty	*6%	1945	Jan. 1	103
Foreign Issues—				
Kingd. of Norway	*5%	1967	Dec. 1	100
City of Oslo, Norway	5½%	1946	Feb. 1/32	100
Danish Cons. Ext.	*5½%	1955	Nov. 1	100
Kingd. of Belgium	*7%	1956	Nov. 1	105

*Called in part.
†Or before.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1930-31 $	Net income 1929-30 $	Common earnings 1931 $	Common earnings 1930 $	Curr: divd. $	Balance car. fwd. 1931 $	Balance car. fwd. 1930 $	Mkt.	Mkt. times earn.	Yield %
Alberta-Pac. Grain	June 30	161,001	d1,145,921	...	...	...	355,451	200,012	2½	..	...
Assoc. Tel. & Tel.	*June 30	*1,005,379	*939,613	*†.64	*†1.14	n.a.	......	......	..	..	...
Dominion Woollens	June 30	d577,851	d294,890	...	...	...	d744,822	d166,971	..	..	...
MacKinnon Steel	July 31	32,307	78,816	...	2.71	...	53,144	62,816	2½ (Feb.)		...
Western Grain	July 31	‡162,411	d102,545	§.16	...	...	263,372	188,949	..	..	...

* For six months ending June 30. † Under participating feature. ‡ Subject to income tax. § After full year's divd. on preferred. d Loss or deficit.

In WINDSOR, CAN. The PRINCE EDWARD HOTEL

He wanted a $500 signature

and we got it for him

WE may not be able to repeat this stunt, but here is how it happened. A famous English author was stopping at a United Hotel. He felt the manager had gone out of his way to make him comfortable, and often expressed a desire to show his appreciation. One day the manager asked if he would mind autographing one of his books, for a friend. Mind? Ofcourse not! Though he seldom signed his books, the author gladly sent the manager's friend a $500 autograph. We're not in the autograph-getting business. Bless you no! But it is our business to make *every guest* as happy and appreciative as our author friend! And we think *extra service* counts even more than our larger rooms... and popular priced dining places.

Just 2 minutes from Detroit ... across the street from the Windsor opening of the Detroit tunnel ... stands The Prince Edward Hotel. Here you enjoy all the conveniences of a metropolitan hotel ... with Canadian privileges. The handy garage accommodations ... popular priced cafeteria and sandwich shop make this famous Canadian hotel a rendezvous for motorists. Plan to spend a Windsor week-end at The Prince Edward this year!

REDUCED RATES AT THE PRINCE EDWARD

	1 PERSON	2 PERSONS
10 Rooms	$2.50	$3.50
45 Rooms	3.00	4.50
40 Rooms	3.50	5.00
60 Rooms	4.00	6.00
42 Twin-Bed Rooms	$6, 7, 8.	
32 Display Rooms	$4, 5.	
20 Parlor Suites	$12, 15.	

Extra service at these 25

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ROCHESTER, N.Y. ... The Seneca
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AKRON, OHIO ... The Portage
FLINT, MICH. ... The Durant
KANSAS CITY, MO. ... The President
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An article dealing with the British financial situation which may interest you is included in the October number of our monthly publication *Investment Securities.*

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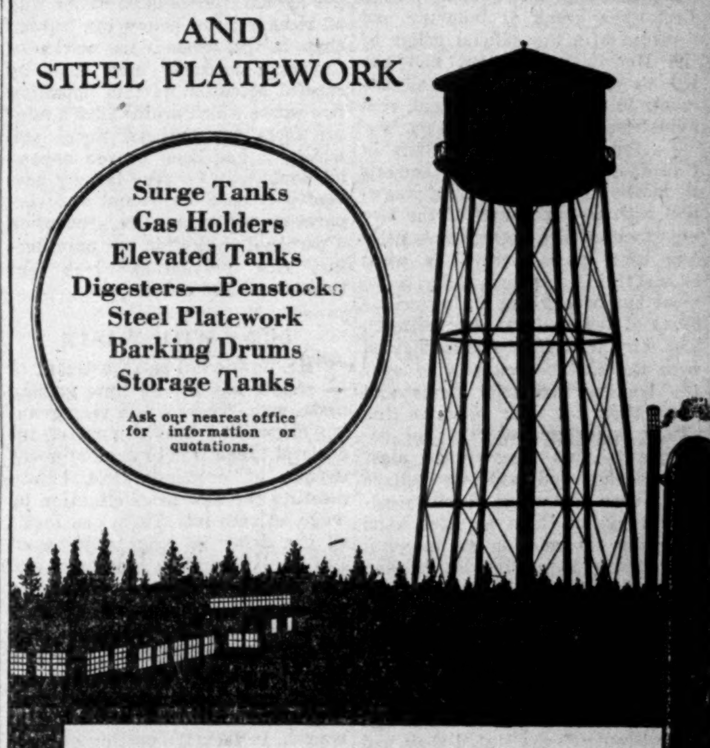

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1931

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TORONTO, OCTOBER 10, 1931

WAGE RATES IN CANADA

WAGE rates in industry are again in the industrial spotlight due to the recent action of some of the biggest industrial firms in the United States in announcing wage and salary reductions affecting nearly 2,000,000 workers. Wage reduction arrangements in that country had been reported as quietly being negotiated at the rate of about 200 a month but the action of U. S. and Bethlehem Steel in regard to wages, and of General Motors in regard to salaries, is the first open break of industry and workers with the official policy of the Hoover government and has led to further important adjustments in the steel, copper and coal industries.

So far, leading industrialists in Canada have hesitated to commit themselves on the matter of wages and with the exception of the two big steam railway companies, little has been heard except by word of mouth in each community, as to what has been going on in various parts of the country. Accordingly, The Financial Post communicated with the chief executives of over 100 leading industrial firms and asked them for their views on this vitally important subject. The response to this survey was most illuminating and will, we believe be of very real value to our readers in giving them at first hand not only information as to what is actually happening in leading lines of industry in Canada, but also the opinions of those who guide the destinies of the biggest corporations in this country.

For obvious reasons most of our correspondents asked that their replies be kept confidential although over twenty firms stated they had no objection to the information being used in connection with their company's name. It is a pity that some of the most interesting replies cannot be associated with the name of the writer in that they give a most valuable insight into the unselfish type of leadership that is being given in Canada at the present time in matters that are of such vital interest to the well-being of hundreds of thousands of Canadians.

One feature of the survey that stands out is the fact that every possible means of economy is being tried out before wage cuts are being resorted to, and that although salary or wage adjustments have been effected in about 50 per cent of the firms questioned, only one-third of the total number have had to resort to general wage cuts. Opinion seems divided as to the future trend of wage rates in Canada but many leaders are of the opinion that the next few months are the really critical time and that if there is no further decline in commodity prices and some upturn in business, wage cuts in their plants may yet be avoided. Some executives believe that a general reduction of wages and salaries is inevitable for a recovery of business prosperity.

IMPERIAL PREFERENCES SHOULD BE MUTUAL

RT. HON. MACKENZIE KING objects to recent orders-in-council that have the effect of "virtually annulling" the Imperial Preference. Mr. King feels that the changes will curtail our imports from Great Britain.

Apparently Mr. King holds the view, that is held by so many people, that inter-Imperial trade consists of purchases of goods by the Dominions from Great Britain, in the hope that Britain will, in the goodness of her heart, reciprocate by buying from the Dominions.

Inter-Imperial trade means the exchange of commodities between the different parts of the Empire.

Great Britain has failed to take any action to give a preference on any extended list of Canadian commodities. There are many business men in Great Britain who feel strongly that this should be done. These business men will agree that the cancellation of the preference by Canada or its practical annulment through the customs regulations regarding exchange and dumping duties, would hasten the time when Great Britain will enter into an arrangement whereby she will give protection to her own industry and a preference to the Dominions.

Canadian business will worry less about the annulment of the preferences to Britain when there are signs of some return being granted to this country for these preferences.

It was of course unfortunate that it took three successive orders on three successive days for Canada to declare its policy with regard to the levying of duty on goods imported from Great Britain. Besides putting Canadian business men to the expense of numerous cables, calculations and corrections, it has undoubtedly made the final effect of the order upon British public opinion more adverse than it would otherwise have been. Canada is within its rights in deciding that our producers shall not be subjected to the difficult competition of a country with a currency that has depreciated in relation to ours but we might have done it more diplomatically.

A PERSONAL JOB

THIS is fire prevention week on the North American continent.

To the business firm this is a definite challenge for it to make sure that in so far as is humanly possible, every effort is being made within its organization to prevent a fire starting and to protect its property and the lives of its employees in case a fire should start. To the individual there is an equally strong challenge to make certain that no act of carelessness on his part shall be responsible for starting what may mean the loss of millions of dollars of property, may throw thousands out of employment and may even cause a loss of life.

The direct property loss to Canada each year through fire is about $40,000,000 which on a per capita basis is as high if not higher than in any other civilized country in the world. Added to this is the excess cost of insurance, the cost of fire protection and so forth which gives a total bill of over $100,000,000 per annum. There is no easier way of reducing the heavy tax burden that hangs around the necks of Canadian business men than by careful attention to this appalling fire waste which drains $200 a minute from our national purse and which, it has been proved beyond all doubt, can be very largely prevented if each individual and corporation will make fire prevention a personal obligation not only during fire prevention week but throughout the entire year.

DOWN WITH WASTE

THE downward re-adjustment of wages was a long time getting under way. There was a very genuine disposition on the part of industrial executives to explore every avenue of economy first before meeting the new price situation by wage adjustment. Thus, one result of the delay in wage adjustment has been favorable; industries and merchandisers have eliminated waste and unproductive expenditures in a way they would not have considered possible two years ago. The elimination of waste and the effecting of economies was more important than the reduction of wages. In fact, the cutting of costs received the co-operation of salary and wage-earning employees when it preceded their own wage reduction for it made them see that their employers were sincere in their efforts to maintain at as high level as possible the incomes from which wages could be paid.

The process of cutting costs in business must go on, for some time yet. Costs are largely measured in dollars and there will be fewer dollars in tomorrow's business because of the adjusted price levels. To make money at new prices there must be no waste whatsoever in the manufacturing and selling process. This is applicable equally to business concerns and to governmental institutions. The elimination of waste will ensure all the prosperity business requires in the future.

EMPIRE CURRENCY

THE countries of the Empire find themselves all in the same boat with their currencies selling at a discount when compared with the American dollar Some bankers are of the opinion that as the period of unsettlement of foreign exchanges drags out, there will be a tendency for most of the British currencies to find a common level in relation to the American dollar. This may prove to be the case with Great Britain, South Africa, Australia, and other British units that use the British pound as their basic currency, and whether or not we in Canada will follow suit remains to be seen.

Such a development would lead inevitably to a discussion of an empire currency; that is, a common monetary unit acceptable in all parts of the empire and supported upon a common base. Whether this currency would be based upon gold or upon silver or upon both, or whether it would be merely a fiat currency, as a joint and separate obligation of the different parts of the Empire, is something yet to be worked out. Certainly there are plenty of schemes of which the most interesting, because most publicized, is the plan of John F. Darling, a former London banker, for the creation of the Rex, an empire unit of currency based upon silver. This plan has additional merits, from the standpoint of those who think that tinkering with the monetary system will help to restore world prosperity, of killing two birds with one stone—creating an empire currency and establishing bi-metallism.

A consideration of the possibility of an empire monetary unit leads to speculation upon a still more interesting point. If Great Britain is finally forced to devaluate its pound and establish a brand new parity with the American dollar, the possibility lurks, although it is by no means yet a very obvious one, that Canada may, too, in time be forced to follow suit. The implications of such a step are rather beyond the power of the average business man to grasp and until it is further demonstrated that we cannot bring our dollar back to par, speculation upon the point is probably idle. Nevertheless, it is a thought that is revolving in the minds of more than one well-informed Canadian banking authority.

Thus, there looms on the monetary horizon the distant possibility—that is as yet by no means a probability—that all the British empire currencies will be devaluated and that this step will be accompanied by the establishment of a single monetary standard for the Empire. In this event the logical advantages of the decimal system would clash with the majority acceptance of the pounds, shillings, and pence system of calculation. Canadian business men will not readily submit to calculating their invoices in a currency as antiquated as pounds, shilling and pence but stranger things have happened.

TOO EARLY TO MAKE LOAN TO CHINA

R. J. CROMIE, publisher of the Vancouver Sun, urges a Canadian government loan to China as the basis for an increase in our exports to that country. Mr. Cromie is quite correct in sizing up China, Japan and India as vast potential markets for Canada; certainly China measures up to this description.

Japan has a strong foothold in Chinese trade and, as was pointed out in an article in The Financial Post last April, has large investments in China amounting to about $1,300,000,000. During the period when these investments were largely made, 1910 to 1928, Japanese exports to China grew from 77,000,000 haikwan taels to 319,000,000 h.k. tls. Some of these loans are secured specifically; others have the partial security that is provided by Japan's location next door to China.

Canada would be in a better position to consider loans, private or governmental, to China if that country had a more stable political situation. Canada would have to have security for its loans, and this can only come through political stability.

Capital will be available for China in unlimited quantities as soon as conditions are such that investments may be made in safety.

In the meantime, Canada can continue to build trade in China in other ways, through the missionary contacts of our minister to the East and our trade commissioners, by sound sales efforts by Canadian exporters. Probably under present conditions we can do little more than hold our own but even that is worth holding, if it can be done. Our big trade with China is yet to come; it is for the future; but we can lay the groundwork now for that trade.

SELLING ETHICS SHOULD NOT BREAK DOWN

A PERIOD of depression always brings with it an era of high-pressure selling. As merchants find their stocks of goods accumulating, as investment bankers find themselves with undigested issues of bonds and stocks, as manufacturers watch their inventories dwindle much more slowly than the pace at which commodity prices decline, there is a rush to dispose of merchandise at any price and unfortunately, in too many cases, there is a tendency to sell by any methods that may suggest themselves.

A recent advertisement by a large American advertising agency stated: "It is the grim fact that most of us, in the past year, have been jammed up against stark realities in a way that has made it easy to consider the expediency of compromising a bit on the more idealistic phases of square dealing."

A large American business man pointed out to the conference of the Affiliated Better Business Bureaus the other day that "respectable and respected business recently has shown a disposition to incline toward libel, falsehoods, deceit and even criminality."

This is no way to meet depression. Honesty in advertising and character in salesmanship are just as essential now as ever. Anything that is inimical to the public interests is in the long run bad for business. Even emotional bargain hunters, susceptible to higher pressure claims, know how to hold a grudge against a business house when, in their calmer moments, they find that what they bought was not just what it was represented to be.

Predatory selling must be avoided in this period of depression. It will merely prolong a period of good business to weaken public confidence.

EDITORIAL NOTES

That the Canadian National Railway would have to abandon its Montreal terminal scheme has been forecast in these columns. It should never have been started.

* * *

Insurance companies do not pay fire losses. Property owners pay about $2 in premiums for each $1 they get back. The public pays for its own carelessness.

POST-scripts

THE staff punster—there is one in every office—has been looking into the honey situation in Canada. This is the way he describes it.

"Evidences of a honey surplus in Canada lead to several interesting facts.

"The surplus came about through the introduction of clover into Western Canada which, although it went against the grain, nevertheless provided crop diversification and also led to the importing of several colonies of bees. As a result, Western honey is now combing the Eastern market.

"The situation among the unemployed bees is serious. Rumor has it that the Queen may be called upon to flea now that her empire is no longer a hive of industry. However, her subjects will probably accept it philosophically in the spirit of the bee attitudes.

"Farmers are puzzled. 'To bee or not to bee' they wonder."

ALMOST overnight everyone has become an international financier. Exchange, the gold standard and foreign credits are now discused by the man on the street in all their phases; even barbers intersperse their comments on the World Series with some succinct views on world finance. But there is an individual in Montreal who is probably still in search of information; she is a member of the chorus of elevator girls who relieve the monotony of vertical transportation in one of the city's largest office buildings. Her car was filled with a buzz of conversation which all centred around Great Britain's currency inflation; everyone seemed to be too preoccupied to even give her his customary smile. At the ground floor she detained the last of her passengers as he stepped from the car. "Say," she said with a puzzled look, "What is the Gold Standard? Is it a daily paper or a weekly?"

THE gyrations of the Canadian dollar continue to furnish innumerable good stories of profits made by some and losses sustained by others. Everybody is touched by the depreciation of our dollar but often the effect is so indirect that it is not recognized.

One man in Toronto has for several years adopted a very novel method of saving up for his annual holidays. He and his wife have a pact that whenever an American coin or note appears in the change they receive in their pocket money it will be immediately extracted and put away in the vacation fund. It was felt that in this way many mickles would make a sufficient muckle. The other day the husband suddenly remembered the fund and asked his wife how much there was in it. But, alas and alack, this was shortly after their annual holiday and there was only $20 in the fund. They are now figuring that if they had deferred their holiday until fall they might have financed their trip on the premium and had the principal intact.

In this case the saving of American money bore no relation to the destination of their holiday trip. They spent the money in Canada. Saving the American money was just a means to an end.

But another man in Toronto started about three weeks ago to extract all the American silver from his change every day. He has picked up about a dollar a day in American coins and by rounding up his friends and making them show what was in their pockets he has been able to get additional sums. Shortly he has to go to New York on a trip. He intends to take over a bagful of silver and avoid paying a premium. So far he has not started saving Lincoln cents.

Other People's Views

Business Week, New York.—To what purpose shall we plan when the most perfect apple-cart we may construct can be upset at any time by a collapse of the price level. It is useless and insincere for us to assume any responsibility for the stability of wages, employment or anything else if no one is going to assume any for the stability of prices through the control of credit. Nothing you can do to us through public control will enable us to discharge that responsibility if this other control be lacking.

Investments in Canada

Canada, London—Rumors of further attacks by the new Government on invested capital in order to meeting the national revenue deficit are naturally causing apprehension and an enquiry for investment securities which are less liable to oppressive taxation. Gilt-edged Canadian securities would appear to offer the best protection. Taxation is comparatively low and the definite policy of the Canadian Government is certainly against penalizing outside capital invested in Canadian securities. We have mentioned from time to time during the last few years the substantial flow of British capital into Canadian gilt-edged bonds, and this outflow is increasing now owing to the rumors referred to. While Canadian Government and other of the highest-class bonds provide an unquestionably safe investment, there are quite exceptional opportunities today for the British investor to pick up shares in sound Canadian enterprises which, when the acute depression is ended, will yield substantial capital increment. For instance the shares of the best Canadian industrial enterprises offer better prospects for substantial future dividends than similar enterprises in Great Britain which have heavier overhead charges and are without protection in their own market.

Panama Canal and Canada

The P. L. A. Monthly, London—The Panama Canal dues are assessed not on the cargo but on the capacity of the ship, the average dues payable on a ton of cargo in bulk being 65 cents. It becomes profitable for a ship to use the Panama Canal route if by so doing she saves six days on her voyage. Thus a ship travelling at 10 knots, or 240 nautical miles a day, will save on the cost of the voyage if the Canal shortens the distance by 1,440 miles. From London to Wellington (N.Z.) is 13,345 miles via the Suez Canal and 11,287 miles via the Panama Canal, a saving of 2,058 miles.

Of the vessels using the Panama Canal, those under the American and British flags account for 70 per cent of the traffic. During 1929, British vessels made 1,783 transits of the canal and carried 27.2 per cent of the cargo. The Pacific to Atlantic trade is increasing at a greater rate than the trade in the reverse direction, and is due to oil, grain, lumber, nitrates and ore being exported in increasing quantities to the Eastern Coast of the United States and to Europe. The bulk of the trade between London and Vancouver is via the Panama Canal, and among the lines which run regular services on this route are the Donaldson Line, the Furness Withy Line, Messrs. Birt, Potter & Hughes' Isthmian Line, and the Pacific Steam Navigation Company. There is a large amount of trade between England and New Zealand on this route, and vessels of the New Zealand Shipping Company and of the Commonwealth and Dominion Line are regular traders in the Port of London. H.R.H. the Prince of Wales, in the course of his South American tour, passed through the Panama Canal on the Oropesa, a 14,000-ton vessel of the Pacific Line.

Bankruptcy Law Abuses May Soon be Remedied

Recommendations of Canadian Bar Association Add New Impetus to Campaign Which Has Been Waging for Several Years

If recommendations laid before the Minister of Justice at Ottawa by the Bankruptcy Committee of the Canadian Bar Association are adopted, the abuses of the Bankruptcy Act, which have long cast a shadow over its administration, will be weeded out and an important service rendered to Canadian business.

For years the bankruptcy situation in the Dominion has been under fire, and while the present act, which became law in 1920, aimed at and achieved some measure of uniformity in the matter of insolvency legislation throughout the Dominion, many weak spots still exist in the fabric. These have been the subject of occasional complaints of trade organizations, credit associations and bankers, and latterly of an energetic campaign conducted by the Better Business Bureau of Montreal, culminating in the present representations of the Bar Association.

Fraud Still Flourishes

While the Canadian Bankruptcy Act in the main provides a reasonable vehicle for the administration and division of assets of a defaulting debtor, in spite of all the fraud legislation and the detailed offences which are set down as punishable by fine and imprisonment, fraud continues to flourish. And according to Harold J. Inns, general manager of the Montreal Better Business Bureau, at least 80 per cent of all bankruptcies in the district of Montreal are fraudulent to an important degree. Mr. Inns has made a thorough study of bankruptcy administration, both in Canada and in England, and as a result The Better Business Bureau have recently published a valuable memorandum on this subject. Many comparisons are drawn, serving to give a comprehensive outline of the known abuses of the Canadian system, each of which is traced to its origin, and for which remedies are suggested. In his introductory remarks, Mr. Inns observes:

"There was a time when bankruptcy itself was considered a disgrace by a large section of the public. However, that is not the case today—bankruptcy is considered a matter of form, a convenience. In Canada we have debtors who fail regularly, every few years as it were. Debtors seldom have any difficulty in obtaining their discharge from bankruptcy, while others about the system of first failing in their own name, and then in their wife's name, then in the name of their sons, and so on down the family—while there are others who prefer to do business under what is commonly known as a 'one man limited company.' The only deterrent to crime of any sort is imprisonment, and as I went from one place to another in England I found that fraudulent bankruptcies were in direct relation to the attitude of the official receivers and their conception of their duties, and also in relation to the attitude of the judges in passing sentence on those found guilty of bankruptcy offences."

The laxity in the administration of the Bankruptcy Act, Mr Inns ascribes to the average business man's indifference, which in turn is bred of discouragement due to the fact that frauds are so seldom properly exposed and dealt with. Creditors have come to look upon almost every bankruptcy as a total loss and figure that should a dividend ever be received, it will be so much "found" money. This frame of mind Mr. Inns denounces as a most serious condition.

Where the Canadian Bankruptcy Act obviously breaks down is that entire control of a bankruptcy is in the hands of the creditors, the election of the trustee being very often secured by voting proxies, usually held by rival trustees and their lawyer. The odds in these elections are invariably in favor of the "debtor's trustee" who is often in possession of proxies on "fake" claims, that is claims of relatives or friendly creditors who have been promised payment or with whom an "arrangement" has been made. Then there is no restriction as to who may be appointed a trustee. The majority of votes at the first meeting is the one governing factor, and the custodian, (frequently the nominee of the debtor) before whom the meetings are held, concerns himself primarily with vote counting and not, as a rule, with the quality of the nominee for trusteeship.

Onus on Creditors

Another weakness of the so-called creditor control is that any creditor having a grievance concerning the trustee's administration, expenses, lawyer's fees, or a debtor's application for discharge must engage a lawyer and accountant, and the onus and burden of securing redress is entirely upon the creditor irrespective of the scope or flagrancy of the fraud. In other words, the authorities are indifferent.

In England, where all legislation and amendments to the Bankruptcy Act of 1883 have been chiefly directed to eliminating fraud or recklessness, while creditors can choose a trustee to administer the estate and sell the assets, the election of a trustee in every bankruptcy has to be approved by an official receiver, who is an employee of the Board of Trade and responsible to the Inspector General of Bankruptcy. It should be mentioned that the Board of Trade in England is a government department, and not, as in Canada, a trade organization. The trustee must supply a bond and be properly qualified, in the opinion of the official receiver, to administer the assets in the best interests of the trading community or the debtor. A creditor, and debtor, too, can complain directly to the Board of Trade regarding the selection of a trustee.

No Public Examination

Again, there is no such thing in Canada as the public examination of the debtor, possibly one of the great-

(Continued on page 10)

As Others See Us

What Greedy Promoters Did

Victoria Times. — George C. McDonald, chairman of the executive committee of the Canadian Chamber of Commerce, told the delegates to the convention in Regina recently that the excesses of profit taken by those who were engaged in the process of promotion during the boom days represent a toll on Canadian business that the country could not stand. The Financial Post was so impressed with the remarks of Mr. McDonald that it printed them in full.

One of the chief charges Mr. McDonald makes is that sponsors of new companies took out large cash profits from the original funds raised by investors, instead of waiting for their profit to come from earnings made out of the reasonable operation of the enterprises so established. There were mergers that were effected primarily to enable some one to make a large commission on the sale of securities, plus another large profit from the sale, through the stock market, of common shares received as a bonus. The Post notes, too, that old established companies optioned at unreasonable prices by clever financial operators, who sold their options at a large profit to investment houses which, in their turn, resold the businesses to the general public at another profit, probably keeping control of the new common stock as extra sweetening for what was already a luscious dessert. Hence, investors are now paying the price for such financial excesses, in declining stock markets, undigested issues, dividend reduction and frozen capital.

It is all to the good that prominent business men like Mr. McDonald should speak out at a time like this. He recognizes, of course, that there exists a capacity to produce wealth per capita on a greater scale than at any previous stage in history; consequently, he assures us, if the wheels of distribution can only be set going normally, there would appear to be no reason why prosperous times should not come back within a reasonable time. But he warns that bad practices must be eradicated.

"Stop Me If You've Heard This One"

If you were listening to Eddie Cantor on the radio last Sunday night you heard this one.

Eddie started to talk about the depression when he was interrupted by the announcer who counselled him not to make conditions worse by talking about the depression.

Eddie was agreeable. He went on, "I will say this, though, that this is one of the smallest booms we have ever had."

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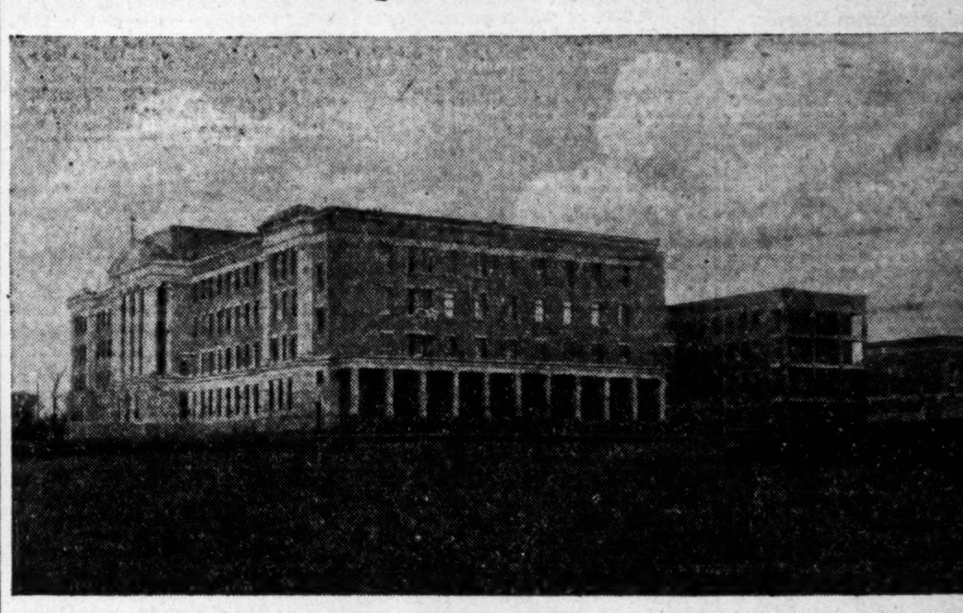

College Jean de Breboeuf, Montreal, P.Q., is protected by 53,900 sq. ft. of Barrett Specification Roofs, 3,500 ft. of Barrett Bonded Flashings and 27 Holt Roof Connections. Architect: A. Piche. General Contractor: Albert Deschamps. Roofer: Eastern Steel Products, Ltd. All of Montreal.

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Barrett Specification Roofs

The Week in Business

Business Reacts to Exchange Instability
France Considered Key Nation for Recovery

CANADIAN business men are apparently both chagrined and bewildered at the arbitrary provisions clamped by Acting Finance Minister Bennett on to British imports and to the persistent way in which Mr. Bennett reiterates his claim that Canada is a gold standard country to the consternation of exporters and foreign countries.

In regard to the latter point The Financial Post has received demands from many different parts of the country that the Government issue some authoritative statement which is consistent with the facts of the situation. One correspondent who carries on a world-wide business from Saint John, wires us this week to point out that the present extremely fluctuating and unstable exchange situation is not at all understood by other countries where we are officially supposed to be the gold basis. Furthermore he says:

"Canadian banks are forced to play very safe to avoid all risks and insure profits, consequently they allow a wide margin between the buying and selling exchange rates quoted. This difference places a severe tax on Canada's foreign trade. Also financial institutions in outside countries under present conditions, will naturally allow themselves several points spread between their buying and selling points for exchange on Canada, thus placing a further handicap on Canadian foreign trade which is carried on with a narrow margin of profit. I have seen cables from foreign buyers in the last few days who not only decline to buy here under present exchange conditions but who request that their present commitments be not shipped until the exchange situation is stabilized."

It is perhaps too much to expect our acting finance minister to stabilize exchange rates at the present time but at least a clear and reasonable statement of Canada's position in relation to the gold standard is in order and would be of real service to Canadian business.

* * *

SINCE the business spotlight is focussed so largely on financial and world considerations at the present time, it might be well to draw attention to the very real interest that is currently centring around the prospects of France being able to maintain her present position without either a French-German rapprochement or else without some co-operative action on the part of the United States. Advices from Washington indicate that the position and future of France at the present time outweigh in importance any other current trade and political factor and that the results of the impending French conference at Berlin and a similar conference at Washington between Premier Laval and President Hoover should determine whether recovery is to begin or deterioration to continue. Unless something constructive is done in the near future toward improving world financial ills, further flights from gold parities are expected which will further serve to undermine confidence and economic stability. From the Canadian point of view, however, President Hoover's spectacular plan to relieve the pressure on the U. S. banking system will, if successful, be of far-reaching importance toward business recovery.

Sugar Production in Canada for four weeks ended Sept. 12 totalled 89,406,-130 pounds, showing an increase of almost 2 million pounds over same period last year increase in granulated offsetting slight reduction in yellow and brown sugar manufactured. Total to date is 10½ p.c. higher than 1930.

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Business Conditions in Canada

SURVEY SHOWS HOW WEST HIT BY DEPRESSION

Unequal Decline in Prices of Raw and Finished Goods Discussed

How the disproportionate decline in the prices of farm and other raw products and those of manufactured goods have affected the buying-power in the prairie provinces is shown by an analysis of business conditions issued this week by the W. Sanford Evans Statistical Service, Winnipeg.

Factors in the situation which are examined may be summarized thus:

1. Wholesale prices of manufactured goods on the average have declined 21 per cent in 20 months, which in itself makes business difficult to conduct.

2. In the same time retail prices have fallen only 13 per cent so that the full advantage has not been getting through to consumers.

3. Farm products in 20 months have declined in average price more than twice as fast as manufactured goods, and this is the chief factor in business curtailment.

4. Other raw materials have not fallen as much, nor has industrial and trade employment, and these are moderating factors.

5. Compared with 1928, carloadings of merchandise have declined 28 per cent, while bank debits confirm other evidence of shrinkage.

6. The manner in which Canada got out of the difficulties of 1923.

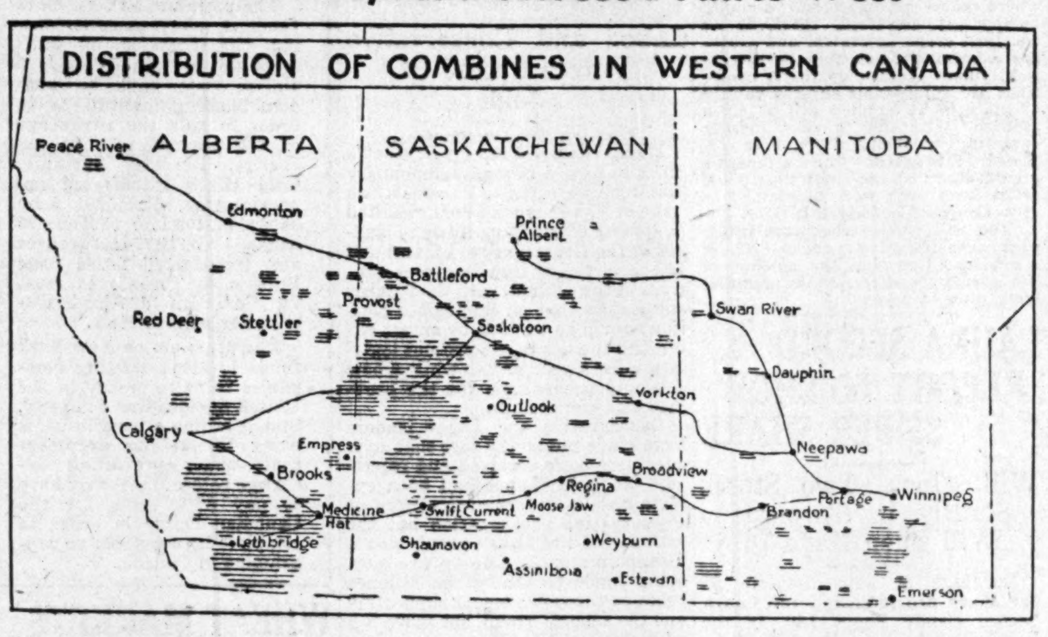
Falling prices always make business difficult. With only two or three slight pauses, prices of fully or chiefly manufactured goods have declined continuously since the beginning of 1930, the average fall having been about 1 per cent per month.

Retail prices, or cost of living indexes, since the term includes rents and services paid for by consumers in addition to commodities, have declined 12.82 per cent in the 20-month period, and as compared with 1926, when indexes of both retail and wholesale prices stood at 100, the drop has been 10.9 per cent as against a drop in wholesale prices of 26.4 per cent. This means that the full advantage of the decline in manufacturers' prices have not immediately got through to consumers, delaying the effects that lower prices should have on business. There is nothing exceptional in this "lag" as it is always present whether prices are going up or coming down.

In periods of price deflation from general causes raw materials tend to be affected first and most violently. At the prices prevailing in August the proceeds of 100 units of farm goods would only buy 74.8 units of fabricated goods. In January, 1930, 100 units of farm products would have bought 110 units of fabricated goods, so that it is clearly seen how seriously conditions have altered in the last 20 months. When classes of prices decline disproportionately, the inevitable consequence is either unemployment or surpluses, or both. The present situation is actually more aggravated by reason of the fact that farm products are less abundant.

Conditions similar in general features have been experienced before, the last occasion being in 1923. In the great deflation after the war, farm products fell rapidly away from manufactured goods in price and trade shrank in volume. Canada then emerged from her difficulties to a satisfactory exchange basis by a readjustment of price relationships. Whether prices of farm products and other raw materials will swing upward, as they did in 1924, to meet manufactured goods, or whether manufactured goods and all services will continue to be deflated until they come down to the present levels of raw materials, is a matter of conjecture.

Combines Spread Across Prairie West



The above map shows graphically the areas where combines have sprung into use in harvesting Canada's western wheat crop. Total sales in the three provinces since 1925 have been about 9,500, of which 9,000 are said to be now in use. Manitoba has one for every 100 farms, Saskatchewan one for every 24 and Alberta one in 25 farms.

Combine Plays Big Part In Prairie Harvesting

Saskatchewan Leads With One for Every 24 Farms—Loss Factor Important But Future Seems Assured

The first combine to be used in Western Canada was imported from California in 1910 and used at Spy Hill, Saskatchewan. It was one of the old ground-driven type and functioned for three seasons. While combines were used in the great winter wheat belt of Kansas in 1917 it was only in the succeeding five years that they became fairly common in that section of the great plains. In 1922 the Dominion Experimental Farm at Swift Current secured one of the then modern type machines for experimental purposes, and one was also located by a machine company on a private farm at Cabri. Prior to the harvest of 1924 three combines were sold to a group of farmers at Hughton, Sask., sales which really marked the beginning of the advent of the combine in Western Canada.

In 1925 there were close to 25 combines in operation in the West and most of these were in the region of Swift Current, on the Swift Current to Empress line of the Canadian Pacific Railway and again north of the south branch of the Saskatchewan River about Hughton and Elrose and the territory directly north of there. Of course Southern Alberta had a few particularly between Bow Island and Lethbridge, the Foremost section being prominent in their use.

Sales Jump Till 1930

Certified sales of combines in the West in 1926 were 176 of which two were sold in Manitoba, 148 in Saskatchewan and 195 in Alberta. In 1927 combine sales jumped to 598 of which Manitoba took 21, Saskatchewan 382 and Alberta 195. In 1928 sales catapulted to 3,657, Manitoba taking 206, Saskatchewan 2,356 and Alberta 1,095, an increase of 611 per cent over 1927. In 1929 another 3,500 were sold of which Manitoba took 158, Saskatchewan 2,484 and Alberta 858. In 1930 sales dropped to 1,612, Manitoba taking in this year 134, Saskatchewan 939 and Alberta 539, a decrease of 54 per cent from 1929. This makes a total of 9,543 combines actually sold in the three provinces but does not necessarily mean that they are or were all still in use. Possibly not more than 9,000 are now serviceable.

From the nucleus of 176 combines all in Saskatchewan and Alberta in 1926 Manitoba now has bought 521, Saskatchewan 6,309 and Alberta 2,713—the sales figures for 1931 not being yet available. From the centre about Swift Current and Lethbridge the movement spread rapidly in all directions. In 1928 when over 3,600 machines were sold the area in Alberta between Medicine Hat and Lethbridge, and Lethbridge and Macleod to Champion and west to Nanton took the majority of the 1,095 which went to that province. In Saskatchewan the additional 2,356 combines were scattered over a wide territory, but mainly in the original section already mentioned and in the great territory about Kindersley, Kerrobert, Rosetown and Elrose—a northward movement but into land very suitable to their use.

Wider Field Opens

With the advent of the swather and kindred machines a wider field opened. In 1929 another 3,500 machines reached a much wider clientèle, penetrating every corner of each of the three provinces until they were represented on the prairie, in the parklands and even in the Peace River country. The main body of the sales, however, concentrated and still are to be found in the great southern plains of Alberta and Western Saskatchewan—in Alberta south and west of a line drawn from Medicine Hat to Calgary and in Saskatchewan south and west of a line drawn from Moose Jaw to Saskatoon to Macklin. In Manitoba the Red River Valley about Portage la Prairie and again about Carman contains the majority, while the southwest corner and Virden section have the rest.

One in 24 for Saskatchewan

On the average there is at the present time about one combine to every 100 farms in Manitoba, about one combine to every 24 farms in Saskatchewan and one to every 25 farms in Alberta on the basis of 53,000 farms in Manitoba, 150,000 farms in Saskatchewan and 70,000 farms in Alberta. Actually there are in the neighborhood of 12,000 farmers who harvest entirely by combine in the three provinces.

Two main causes contributed to the combine assuming so quickly such importance as a means of harvesting the Western crop. The comparatively low prices of wheat in 1923 and 1924, and the relatively high labor costs that existed at the same time caused farmers to look about for some way out. Costs of production had to be reduced in proportion to the return value of the grain grown, and the combine offered a distinct reduction in actual harvesting costs and the employment of but a fraction of the hired help in addition.

Costs of combining are of two kinds, namely fixed charges and direct operating charges. The former include depreciation, interest and repairs and housing; the latter, fuel, oil and grease, tractor or horsepower to haul, wages of men employed, and trucking of the threshed grain. Much experimental work has been done at the Swift Current Experimental Farm and by the Dominion field husbandman having due consideration for these factors. In 1928 it was determined that assuming a twenty bushel crop on an area of 600 acres the cost per bushel for harvesting wheat would be 9½ cents compared with 17½ cents if cut by a binder and threshed by a separator. In general, where a windrow harvester is used, charges for windrowing can be added directly to the total cost of harvesting, for rarely does a combine with a pick-up attachment cover more acres than does a straight combine under similar conditions.

Comparison of Losses

Comparison of losses by the different types of harvesting are influenced to a greater extent by the crop conditions and seasonal factors than by methods. Some of these factors and conditions such as unusual amount of rainfall, heavy sawfly damage, growth of green weeds in the standing grain, lodging of crops, short crops due to drought, and uneven ripening of crops illustrate the range of efficiency demanded from a combine over the seasons. In 1930 in crops badly damaged by sawfly the combine losses at Swift Current were 10 per cent of the gross yield, binder losses 9.68 per cent, swather and combine losses 12.67 per cent, header losses 8 per cent. When allowance is made for threshing losses not recorded for binder and header the totals it was stated would about equal straight combine losses.

Heavy green weeds like Russian thistle, tumbling mustard, and lambs quarter influence the successful operation of the combine to a considerable extent. What is more important they affect the grade and storing quality of the threshed grain by the moisture content of the green weed seeds, green bits of weed stalks as well as causing losses of grain by the inability of the machine to properly separate the wheat from the mangled weeds. Again uneven ripening of fields with alternate ripe and green patches seriously affects the grade of grain coming from a combine. Not only is the moisture content certain to be too high, but the presence of green kernels reduces the milling value and in consequence the grade placed on the wheat so that it loses on both counts, up to eight and ten cents a bushel.

Trend of Use of Combines

Experience and experimentation in determining the stage of ripeness at which it is best to combine, the allowance to be made for drying after rainfall, time to permit dew to dry off, etc., has done a great deal to remove faults in construction and losses due to use of the combine. With each step forward its application widens. The machine is barely out of the experimental stage as yet. Certain areas in Western Canada are well adapted to the use of this machine as indicated in the accompanying map. Adaptation of the combine in combination with the header, the swather, or the header barge which collects the headed grain in small stacks to cure, has been and is being made so that its use is now much more general than even three years ago.

The combine has come to stay at least in the semi-arid open plains, the real wheat growing sections of the West because it saves time, is a much cheaper means of harvesting in contrast to binder and separator, and dispenses with enormous labor charges in addition. When suitable, even-ripening varieties of wheat are secured, tillage methods and weed control properly in hand, in fact when every field operation is performed and regulated with combining in view, more extensive and satisfactory use of the combine will be experienced. The results of three to four years of extensive service all point this way.

B. C. Tomato Growers Face Serious Condition

Drastic curtailment of the demand from canners for tomatoes this year is responsible for a serious disorganization of the growing industry in British Columbia. It is currently reported that something in the neighborhood of 8,000 tons of prime tomatoes will not be picked and that many acres of vines are being ploughed under.

This condition has arisen in spite of the fact that only 2,700 acres were sown to tomatoes this year as compared with a normal average of 4,000 acres.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	1930	Cumulative Jan. 1 to date 1931	1930
C.P.R. Gross Earn. (Sept. 30)	$ 3,765,000	$ 5,750,000	$ 106,942,000	$ 135,981,000
C.N.R. Gross Earn. (Sept. 30)	$ 4,627,021	$ 6,454,860	$ 133,552,815	$ 168,986,058
Car Loadings (Sept. 26)	50,325	70,806	1,886,161	2,378,200
Common Stock Index (Oct. 1)	60.8	113.5	....	....
Production—		Monthly		
Pig Iron, tons, (Aug.)	23,212	57,459	362,737	573,321
Steel, tons (Aug.)	52,491	57,626	559,465	762,663
Newsprint, tons (August) ..	165,124	202,043	1,486,823	1,706,562
Automobiles (Aug.)	4,544	9,792	74,849	130,665
Boots and Shoes, pr. (Aug.)	1,627,006	1,542,686	12,062,805	11,730,141
Flour, bbls. (August)	1,333,287	1,547,986	9,301,068	10,192,132
Mineral Production—				
Gold, oz. (July)	223,700	170,260	1,497,037	1,146,499
Silver, oz. (July)	2,069,171	1,999,136	13,770,889	15,222,695
Nickel, tons (July)	2,655	4,680	23,000	32,245
Copper, tons (July)	11,838	13,077	86,476	91,845
Lead, tons (July)	21,868	13,109	97,931	99,211
Zinc, tons (July)	20,832	9,968	77,255	71,654
Coal, tons (July)	826,156	1,058,424	6,717,744	8,223,234
Nat. gas, M. cu. ft. (July) ..	1,458,814	1,304,168	16,431,156	17,232,918
Petroleum, bbls. (July) ...	119,327	122,862	1,073,428	762,746
Automobile Financing—				
Used Cars (Aug.)	$ 1,485,153	$ 2,919,461	$ 16,187,881	$ 24,784,569
New Cars (Aug.)	$ 1,417,484	$ 2,003,901	$ 16,500,878	$ 24,137,552
Construction—				
Building Permits (Aug.) ..	$ 8,224,074	$ 14,029,564	$ 76,575,853	$ 115,268,330
Contracts (September)	$ 33,658,400	$ 32,407,100	$ 250,798,300	$ 359,814,700
Labor—				
Employment Index (Sept) ..	107.1	116.6	......	......
Trade—				
Imports (August)	$ 47,308,000	$ 77,906,294	$ 449,619,844	$ 705,771,229
Exports (August)	$ 48,763,652	$ 69,290,228	$ 390,159,193	$ 582,198,172
Imports of Key Products—				
Rubber, raw, lbs. (Aug.) ...	5,160,225	4,722,597	41,380,888	48,825,337
Cotton, lbs. (Aug.)	4,754,000	3,457,000	55,335,000	54,114,000
Sugar, raw, lbs. (Aug.)	98,401,300	116,629,400	540,008,000	536,490,500
Petroleum, crude, gal. (Aug.)	106,065,392	100,570,898	668,538,344	667,214,202
Coal, tons (July)	1,245,095	1,781,183	6,610,435	9,011,969
Exports of Key Products—				
Newsprint, tons (August) ..	160,175	170,106	1,343,153	1,536,767
Automobiles, No. (Aug.) ...	740	3,922	11,816	31,043
Wheat, bus. (Aug.)	11,909,108	17,639,228	111,800,735	96,711,722
Wheat flour, bbls (Aug.) ..	522,178	627,233	3,654,403	6,988,349
Electric Power—Output—				
M. Kilowatt hours (August) .	1,251,715	1,411,860	10,787,249	11,787,497
Population—				
Emigration (June)	1,226	3,392	6,695	25,071
Immigration (June)	3,169	13,175	15,510	54,385
Finance—				
Failures, No. (July)	152	169	1,261	1,374
Failures, Liabilities (July) ..	$ 2,511,041	$ 2,540,478	$ 25,364,054	$ 28,948,803
Bank Debits (August)	$2,243,561,470	$2,801,605,985	$21,069,109,733	$24,920,761,209
Bond Sales (August)	$ 1,876,639	$ 31,145,400	$ 973,719,350	$ 458,629,160
Insurance Sales (Aug.)	$ 35,738,000	$ 36,249,000	$ 337,217,000	$ 375,488,000
Wholesale Prices (1926)=100—				
General Index (Sept.)	70.0	82.5	......	......
Iron & its products (Aug.)	86.8	90.7	......	......
Cotton, raw	41.2	68.8	......	......
Grains	37.5	64.3	......	......
Livestock	76.1	95.0	......	......

WHOLESALE INDEX OFF IN SEPTEMBER

Though Prices Unchanged in 322 Commodities Out of 502

September index numbers of wholesale prices moved down from the August figure of 70.9 to 70.0, the 100-mark being the 1926 average. Of the various classes of commodities, quotations for 45 were higher, 135 were lower, while 322 remained unchanged, according to an analysis by the Dominion Bureau of Statistics.

Most of the main groups shared in the decline, these including vegetable products, down from 56.1 to 54.6; animals and their products, down from 70.9 to 68.8; fibres, textiles and textile products, down from 73.8 to 72.4; wood, wood products and paper, down from 77.9 to 78.6; chemicals and allied products, down from 86.4 to 84.7; while non-ferrous metals and their products changed fractionally from 60.9 to 60.2. Non-metallic minerals and their products rose from 85.2 to 86.6, due chiefly to advances for plate-glass, gasoline, kerosene, and anthracite coal, while iron and its products remained unchanged at 86.6.

NEW CONSTRUCTION UP IN SEPTEMBER

Increase 28.7 p.c. Over August, But Down 30 p.c. For Year

New construction contracts in Canada for September totalled $33,658,400, showing an increase over August of 28.7 per cent, and over September, 1930, of 3.8 per cent, according to figures compiled by MacLean Building Reports Ltd. For the year to date a decrease of 30.3 per cent below 1930 figures is recorded.

For the first nine months of the year 41.8 per cent of all new construction is shown in the engineering group, the total being $104,740,700. Business buildings have shared to the extent of $69,502,400, which is 27.7 per cent. The percentage for residential stands at 25.3 per cent, the valuation being $63,416,700. Industrial shows $13,133,500 or 5.2 per cent.

Ontario has shared in contracts to the end of the third quarter to the extent of 40.5 per cent, the total amount having been $101,485,200. Quebec accounted for $88,958,400, or 35.5 per cent. The prairie provinces shared to the extent of $27,588,300, which is 11 per cent, while British Columbia had 7.8 per cent or $19,607,-300 and the maritime provinces 5.2 per cent or $13,154,100.

Business Briefs

Car Loadings for week ending Sept. 26 totalled 50,325 cars, 6½ p.c. lower than previous week and 29 p.c. under same week 1930. Smaller grain loadings largely responsible for drop, being 26½ and 58 p.c. lower in respective comparisons. Total loadings to date are 22.9 p.c. behind last year, lumber, pulp and other forest products contributing most largely.

Wheat Stocks at Sept. 25 totalled 120,700,871 bushels compared with 114,444,355 at end of previous week and 152,210,868 bushels at corresponding date last year. Other grain in store totalled 33,534,340 bushels as against 48,410,025 bushels at same time 1930.

Farm Implements exported by Canada in August amounted to $134,983 as compared with $294,761 in July and $552,393 in August, 1930.

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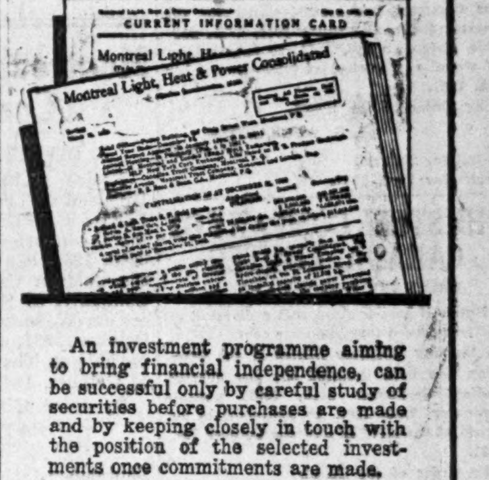

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DIVIDEND NOTICES

Canadian Silk Products Corporation

Notice is hereby given that the Annual General Meeting of the Shareholders of CANADIAN SILK PRODUCTS CORPORATION will be held at the Head Office of the Company at 1109 Dominion Square Building, Montreal, Que., on Monday, the nineteenth day of October, 1931, at the hour of 2.30 o'clock in the afternoon, for the following purposes:

1. To receive the statement of Accounts and report of Directors.
2. To elect Directors.
3. To appoint Auditors.

and for the transaction of such other business as may legally come before the Meeting.

A. A. Munster, Sec.-Treas.

Sherbrooke, Que.
Sept. 30th, 1931.

CALGARY POWER COMPANY LIMITED

PREFERRED DIVIDEND NOTICE

Notice is hereby given that a dividend of one and one-half per cent (1½%) has been declared on the Six per cent (6%) Cumulative Redeemable Preferred Stock of the Company, for the quarter ending October 31st, payable November 2nd, to shareholders of record at the close of business on October 15th, 1931.

By Order of the Board,
L. G. PROCTOR, Secretary.

FOREIGN POWER SECURITIES CORPORATION Limited

6% Preferred Dividend No. 18

A Dividend of one and one-half per cent. (1½%) (being at the rate of 6% per annum) on the 6% Cumulative Participating Preferred Stock of Foreign Power Securities Corporation, Limited, has been declared for the quarter ending October 31st, 1931, payable November 16th, 1931, to shareholders of record at the close of business on October 31st, 1931.

By order of the Board.
L. C. HASKELL, Secretary.

Montreal, September 25th, 1931.

CANADIAN CAR & FOUNDRY COMPANY, LIMITED

NOTICE OF SPECIAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that a Special General Meeting of the shareholders of CANADIAN CAR & FOUNDRY COMPANY, LIMITED, will be held at the head office of the Company, 621 Craig Street, West, in the City of Montreal, on Monday, the 2nd day of November, 1931, at the hour of twelve o'clock noon, for the purpose, if deemed advisable, of passing a resolution authorizing the Company to apply for supplementary letters patent amending or varying the provisions of the letters patent and supplementary letters patent issued to the Company to provide for the right of purchase by the Company at any time and from time to time, with the consent of the holder or holders thereof, of outstanding Cumulative Preference shares of the capital stock of the Company at any price up to but not exceeding Twenty-five Dollars per share, plus the amount of any dividends or proportion thereof accrued to the date of purchase, whether declared or not.

DATED at Montreal, this 2nd day of October, 1931.

By Order of the Board,
A. C. BOURNE, Secretary.

Canadian Bronze Company Limited

Dividend Notice

THE quarterly Dividend of 1¾%, on the PREFERRED STOCK of the CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of November, 1931, to Stockholders of record as of the 20th day of October, 1931.

Also a quarterly Dividend of Sixty-two and one-half (62½c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending October 31st, 1931. Payable the 1st day of November, 1931, to Stockholders of record as of the 20th day of October, 1931.

By Order of the Board.
W. S. CAIE, Secretary.

Montreal, P.Q.,
September 25th, 1931.

THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND NO. 81

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c) on the new Preference Shares of the Company has been declared for the quarter ending September 30th, 1931, payable November 2nd, 1931, to shareholders of record at the close of business October 7th, 1931.

By Order of the Board,
H. S. ALEXANDER, Secretary.

Hamilton, Ontario.
September 23rd, 1931.

THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND NO. 59

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c) on the new Ordinary Shares of the Company has been declared for the quarter ending September 30th, 1931, payable November 2nd, 1931, to shareholders of record at the close of business October 7th, 1931.

By Order of the Board,
H. S. ALEXANDER, Secretary.

Hamilton, Ontario.
September 23rd, 1931.

Imperial Bank of Canada

DIVIDEND No. 165

Notice is hereby given that a Dividend of three per cent. (3%), at the rate of twelve per cent. (12%) per annum, upon the paid-up Capital Stock of this Bank, has been declared for the three months ending October 31st, 1931, payable at the Head Office and Branches on and after Monday, November 2nd next, to shareholders of record of September 30th, 1931.

The Annual Meeting of the shareholders will be held at the Head Office of the Bank on Wednesday, November 25th, 1931, the chair to be taken at noon.

By order of the Board.
A. E. PHIPPS, General Manager.

Toronto, Sept. 30th, 1931.

ALBERTA GRAIN PROFITS SHOW SHARP INCREASE

Report in Marked Contrast to Previous Year

From Our Own Correspondent

MONTREAL. — The financial statement of Alberta Pacific Grain Co. for the fiscal year ended June 30, 1931, is in marked contrast to the poor showing made in the previous year, and, according to expectations, earnings were over three and a half times bond interest requirements, after depreciation. After all deductions, which included provision for depreciation and doubtful accounts, there remained a sum equal to $5.18 a share on the preferred stock. This compares with a net loss of $1,145,921, before preferred dividends, in 1930.

Operating profit in the last fiscal period was $665,723, compared with $181,604 in the previous year. The sum of $150,000 was provided for depreciation whereas none was written off in 1930, while the net loss of subsidiary companies' operations was only $6.920, as compared with $669,050.

Increase Receivables Reserve

The new management has considered it advisable, owing to unsettled agricultural conditions, to provide a further reserve of $160,661 against accounts receivable originated prior to 1930. No deduction has been made on account of preferred dividends since these were discontinued in 1930.

Following is comparison of profit and loss account for the past two years ended June 30:

	1931	1930
	$	$
Operating profit	665,723	181,604
Less:		
Depreciation	150,000	......
Bond int.	187,140	210,000
Inc. tax. adjust. ..	5,562	......
Oper. loss of subs.	6,920	669,050
Prov. for accts. ...	160.662	290,563
Adjustments*	......	157,912
Net profit	155,439	†1,145,921
Less:		
Pref. divds.	......	210,000
Surplus for year	155,439	†1,355,921
Add: Prev. surplus ..	200,011	1,726,784
Less: Inc. tax, fees, etc.	......	170,851
Bal. forward	355,450	200,012

* After deducting amount provided for by reduction of capital.
† Deficit.

Balance Sheet Improved

The balance sheet position shows improvement and reflects the general housecleaning which has taken place during the year. It will be remembered that in 1930 heavy losses were incurred arising out of unauthorized transactions which reduced profits and necessitated cutting the capital stock from $2,412,354 to $1,000,000.

Current liabilities still exceed current assets, but the margin has been reduced from $626,074 in the previous year to $500,372 at June 30, 1931. At that date current liabilities were $2,297,175, while current assets were $1,796,803.

In assets, the balance of shares in other companies has been entirely liquidated and all bonds and shares now owned are those of subsidiary or allied companies. These show a reduction of $119,384 at $482,357; the previous balance sheet showed an investment of $513,000 in shares of other companies, now liquidated.

The item carried under the heading, James Stewart & Co., Ltd., is still carried at $340,000. In the report it is stated that efforts were continued during the year to make further recovery in connection with the amounts owing by James Stewart & Co. and any available assets have been obtained. The advice of special counsel employed has been followed in dealing with these matters.

Inventories Are Higher

Inventories totalled $857,507, compared with $234,207, while cash at $15,427 is reduced by about $42,000. Memberships at cost amount to $41,920, a reduction of $8,000 from the figure shown at the end of the previous year.

In accounts receivable earnings accrued on grain at $267,052 compare with $143,524 and advances on grain are lower by $118,000 at $400,989. Accounts receivable, subsidiary companies, have been reduced from $94,487 to $26,169, while sundry accounts, less provision for doubtful debts, are shown at $217,869, a decline from $705,390.

Deferred charges are slightly lower at $27,839 and fixed assets, after depreciation, are carried at $7,024,985 compared with $7,228,436 in the previous year.

In liabilities, bank accounts are higher at $1,689,079 compared with $1,293,047 in 1930. Outstanding grain tickets of $29,658, provisional advances of $655,203 and dividends payable of $52,500 shown in the previous balance sheet have been eliminated, but sundry creditors' accounts have increased by $226,000 to $599,995. An amount of $378,345 owing on shares of other companies at the end of the previous year does not appear.

In accordance with sinking fund provisions, $131,500 of bonds were retired during the year leaving outstanding $2,987,500. The last balance sheet also shows $2,500,000 of general mortgage bonds which have been pledged to banks as security for loans. This item was created last year and did not appear in the previous balance sheet.

Contingency reserve has been reduced by nearly $400,000 to $51,988, while a bond redemption reserve of $21,663 has been established. Capital structure is unchanged, the 80,000 class "A" and 20,000 class "B" shares being given a valuation of $1,000,000.

In his remarks to shareholders, J. R. Murray, vice-president of the company, said in part:

"The amount of grain handled by your company was greater than during the previous year but prospects for the current season's business are much less favorable, as the harvest in western Canada this year will yield less than in any year since 1919. Your company's officials consider the published crop estimates for the province of Alberta are higher than will be realized. In Northern Alberta where your company has a large number of elevators, there is an excellent crop. In central and southern Alberta and southern Saskatchewan, where it also operates, conditions are unfavorable and the volume of grain to be handled will be much reduced. With this in view, further operating economies have been effected throughout the company's organization; at the same time properties have been well maintained to give the most effective service.

"You will receive concurrently for your consideration notice of a recommendation that the number of the company's directors be reduced from nine to seven."

DIVIDEND NOTICES

Consolidated Industries, Ltd.

DIVIDEND NOTICE

Notice is hereby given that a dividend of Twenty Cents (20c) per share has been declared on the outstanding shares of the Capital stock of Consolidated Industries, Ltd., payable on the second day of November, 1931, to shareholders of record on the 15th day of October, 1931.

By order of the Board.
J. W. PEART, Sec. and Treasurer.

Dated at Toronto, this 10th day of October, 1931.

PENMANS LIMITED

Dividend Notice

Notice is hereby given that the following Dividends have been declared for the quarter ending the 31st day of October, 1931.

On the Preferred Stock, one and one half per cent. (1½%), payable on the 2nd day of November to Shareholders of record of the 21st day of October, 1931.

On the Common Stock, One Dollar ($1.00) per share, payable on the 16th day of November to Shareholders of record of the 5th day of November, 1931.

By order of the Board.
C. B. ROBINSON, Secretary-Treasurer.

Montreal, September 28, 1931.

Montreal Tramways Company

DIVIDEND NOTICE

Notice is hereby given that a Dividend of TWO DOLLARS AND FIFTY CENTS ($2.50) per share, for the quarter ending September 30th, 1931, has been declared upon the paid in Capital Stock of the Company, to Shareholders of record on Wednesday, the 7th day of October, 1931, at 4 o'clock p.m. and payable on Thursday, the 15th day of October, 1931.

By order of the Board.
PATRICK DUBEE, Secretary-Treasurer.

September 14th, 1931.

NOTICES

Resolution of the Securities Protective Committee

referred to in the Plan for the Reorganization of Canada Power & Paper Corporation and Its Subsidiaries and the Deposit Agreement Relevant Thereto, Both Dated as of June 2, 1931.

EXTENDING TIME FOR DEPOSITS

WHEREAS October 19, 1931, is the date of the first meeting of shareholders, to wit, the shareholders of Canada Power & Paper Corporation, to be held with a view to carrying out the said Plan:

AND WHEREAS it is desirable to afford an opportunity to holders of securities and shares to deposit their securities and shares up to such date as will allow a reasonable period for the purposes of accounting and records previous to such meeting;

AND WHEREAS it is advisable for the purpose of uniformity in method of carrying out the Plan and to save expense on distribution to treat (but subject to compliance with all other requirements as to deposits) the large amount and number of securities and shares received by depositaries since August 31, 1931, as deposited under and for the purposes of the Plan;

THEREFORE, BE IT RESOLVED, that time for receiving deposits under said Plan and the Deposit Agreement be extended, and that October 10, 1931, be fixed as the date on or before which holders of bonds, debentures, preferred and common shares may become parties to such Deposit Agreement and direct participants in said Plan by depositing with a depositary their Bonds (including Registered Debenture stock certificates), Debentures, or the certificates representing their Preferred or Common shares in the constituent companies referred to in said Plan;

AND BE IT FURTHER RESOLVED that the Secretary be and he is hereby authorized to give notice of such extension of time by one insertion of a notice thereof in one newspaper published in each of the Deposit centres.

PASSED AND DATED the 29th day of September, 1931.

GORDON W. SCOTT, Secretary.

LAURA SECORD REPORT TO SHOW $5 PER SHARE

Will Open Two Stores Shortly in Toronto; Will Then Have 76

Earnings of approximately $5 per share are indicated for Laura Secord Candy Shops Ltd. in the fiscal year just closed on September 30, according to sources close to the company. In the fiscal year ended September 30, 1930, earnings amounted to $6.56 per share on the 57,464 shares of no par value common stock then outstanding. Decrease in earnings is attributed to general business conditions in combination with decidedly warm weather which extended from the first of June until September. The annual dividend rate of $3 per share was well covered, however.

The company has maintained a strong liquid position throughout the current year as is shown by the three quarterly balance sheets issued since the last annual report. The annual statement for past year is due within a few weeks as the annual meeting is being held on November 2. The company may be faced with some shrinkage in current assets due the large amount invested in government, municipal and public utility securities. At June 30, 1931, investments of this character were shown at book value of $1,155,193, which was less than market value, but drastic decline in prices of high-grade bonds during the latter part of September may cause some write-offs on this account.

The company is now operating 74 stores as compared with the 72 stores operated at September 30, 1930. During the year, three stores have been opened in Montreal and one has been closed in Toronto. In the immediate future two new stores will be opened in Toronto which will bring the number of stores to 76.

SEE DISCREPANCIES IN WHEAT BONUSING

Owners of Farms, Run By Share-Tenants, Voice Their Complaints

From Our Own Correspondent

SASKATOON.—While the payment of Premier Bennett's five cent bonus on wheat is being gratefully received by farmers to whom it is paid, it has led to a certain amount of dissatisfaction among others. At Calgary the other day Norman Priestley, vice-president of the United Farmers of Alberta, issued a statement to the effect that it assists those who have most to sell but does nothing for those whose crops have been hailed out or dried out. The executive of that organization had forwarded to Ottawa a demand that the government make the bonus payment on an acreage basis, at a flat rate of one dollar. This would benefit not only the farmer with small crops, but also those in sections where oats, which are not bonused, instead of wheat, form the principal crop.

While a similar suggestion has been made in this province it carries less weight here, since the Dominion and the Provincial governments are co-operating in a wide-spread relief scheme throughout a great area of southern Saskatchewan where crops were poor this year. Another sort of objection has been more heard of in this area, from owners of farm lands which are either under lease or under agreement of sale to tenants or to purchasers. Payments under such arrangements are usually on the basis of a definite share in the crop. The landlord's or the vendor's share is subject to bonus as much as the share of the occupying farmer, but neither landlord nor vendor receive it, for the whole amount goes to the actual grower. On a half-share lease, under which the owner, in addition to the land, supplies much of the working capital, the effective bonus to the actual farmer is equivalent to ten cents a bushel, and where the land owner's share is a third, the effective bonus is seven and a half cents, while the land owner in neither case is bonused at all. Many owners, who are either active or retired farmers are complaining that the government should have allowed the owner to share in the benefits of the bonus, thus recognizing his interest in keeping taxes paid and in providing permanent improvements.

BRACKEN DEFIED IN PLAN TO FORM UNION GOV'MENT

Labor and Conservative Forces Refuse to Join

From Our Own Correspondent

WINNIPEG.—Premier Bracken's plans to form a new government for Manitoba, referred to in last week's issue of The Financial Post, resulted in definite offers being made to leaders of the Conservative, Liberal and Labor parties to furnish representatives in the cabinet, with the further suggestion that an immediate election should be avoided by an act extending the life of the present legislature for a year or two while a new economy programme for the province was worked out.

Conservative and Labor leaders have made public the fact that such overtures were received and rejected. No great hopes had been entertained in Government circles of Conservative participation but the attitude of the Labor group was a disappointment. Efforts are now being made to cement an alliance between the Government supporters and the Liberal group, but there is a wide cleavage of opinion among Liberals on the subject. On one side there is the idea that only by such an alliance can the province be prevented from electing a Conservative Government, which might strengthen the hands of high tariff forces at Ottawa, while a Government so formed might gradually become a straight Liberal administration.

The opposing group insist that the Liberal party should not assume responsibility for any errors the present Government may have committed. Those endeavoring to form the alliance have in mind securing the entrance of Hon. T. A. Crerar into the provincial cabinet or, failing him, some prominent business man not formerly prominently connected with provincial politics. The argument is that provincial finance, municipal finance, agricultural depression and unemployment constitute problems which would be dealt with by a Government formed on a new basis. The premier's reputation for dominating his Government and deciding upon policies without consulting colleagues or followers is an obstacle in securing the desired co-operation.

SASKATCHEWAN DISPENSES WITH TRAFFIC EXPERT

Prairie Freight Council Will Now Probably be Abandoned

From Our Own Correspondent

REGINA. — The Saskatchewan government has announced the discontinuance of services of George Smith as traffic expert, as a measure of economy. He has been employed in recent years making representations to the Board of Railway Commissioners for changes in Western Railway freight rates. The Alberta Government have employed a similar expert, while Manitoba, although it has not had a similar post, has actually appropriated funds for such a purpose.

It was through Mr. Smith that the Saskatchewan government recently advanced the claim that the railways were not applying to the Hudson's Bay route the proper basis of grain rates which it had been agreed was to be the scale of Crow's Nest Pass agreement rates to the head of the lakes as had been promised, but instead had made rates from many points from one to two cents per hundred pounds higher than they should be.

This referred to an old dispute which has been under way for a long time as to comparative rates from points on the main line of the Canadian Pacific Railway and points on other lines with similar mileages. Just this week the supreme court handed down a decision dismissing an appeal from the Government of Alberta in this connection which may have the effect of settling the dispute for a time.

It is thought that the action of the Saskatchewan government may have the effect of breaking up the recently formed western Inter-provincial Freight Traffic Council, of which Mr. Smith was founder and secretary, through which it was thought that various public bodies could be brought to make common representations upon questions of freight rates. It was found very difficult to secure agreement, since most rate problems which now develop in the west are not a case of the public as opposed to the railway interest, but rather those in which different areas or cities strive to get or to keep advantages for themselves in comparison with other areas or cities.

Discount on Dollar Brings Canada Funds

The premium on New York funds in many cases is causing the transfer of bank accounts previously held in United States banks to Canadian banking institutions, in order to gain the advantage of the current rate of exchange. Recently Sylvanite Gold Mines transferred approximately $160,000 from banks in Buffalo to Toronto banks. Wright-Hargreaves also transferred funds from Buffalo to Toronto to meet its Canadian dividend distribution of October 1.

The premium on New York funds is also assisting companies to raise money in the United States. One company, that is selling a bond issue, is using the selling argument that, under prevailing exchange rates, it will only have to pay 87½ cents for the Canadian dollar in order to complete its construction programme in Canada.

WHEAT MARKETS STILL UNCERTAIN, DEMAND IMPROVES

High Quality Wheat is in Demand—Should Favor Canada

From Our Own Correspondent

WINNIPEG. — The trend of wheat prices is still dominated by the exchange situation, and Canadian trade is suffering under the handicap of double uncertainty as to the value of the pound and of the Canadian dollar.

Our prices in comparison with Chicago do not reflect fully both the superiority in quality of Canadian wheat and the current discount on the dollar, largely because future dollar values are so uncertain. The principal cash demand by exporters is mainly in one and two Northern, with three Northern little wanted, in spite of the fact that the spread of nearly ten cents a bushel between one and three is remarkably wide for the present range of prices. No. 1 Northern has been trading at a premium of a cent and a half over the October future, with two and three nominally on a delivery basis, although actual deliveries through the clearing house have been decidedly small. Elevator interests with space to spare have been more anxious to carry than to deliver wheat. October, November and December futures have been trading at practically the same level, and the spread between October and May has narrowed to only a fraction over four cents.

The demand for the high grade wheat is a result of the high duties and milling restrictions in importing countries. Spreads which are large in terms of fifty cent wheat are much smaller proportionately after transportation costs and duties ranging from 85 cents to $1.40 have been added, and continental millers find that the higher grades give them better value for their money. When costs are high and they are allowed to use only limited quantities of imported wheat. World shipments continue at a high rate confirming the opinion that European stocks of old crop had been largely exhausted, and that quality of new crop is poor. Russian shipments have continued to be very substantial, but trade advices insist that important diminution is in prospect soon. Deliveries in the country, after a period of drying weather succeeding heavy rains, are again becoming substantial, with a general resumption of threshing.

Mid-West Paper Sales Owns Prov. Paper Sales

Mention of Provincial Paper Sales in a recent issue of The Financial Post as having its entire stock owned by Provincial Paper failed to take note of the fact that the entire stock of Provincial Paper Sales was taken over by Mid-West Paper Sales, wholesale paper dealers, of Winnipeg.

Provincial Paper Sales has not been in operation since that time as the name was changed to Mid-West Paper Sales.

C. H. ENDERTON & CO.
Established 1890
Real Estate Investments, Mortgage Loans, Insurance, Rentals, Stocks and Bonds
Members Winnipeg Stock Exchange
222 Portage Avenue, WINNIPEG

Black & Armstrong
Real Estate, Valuations, Rentals, Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg., Winnipeg, Manitoba

The Western Savings & Loan Association
First Mortgage Loans
Agencies throughout Manitoba, Saskatchewan and Alberta
Head Office: Winnipeg, Man.

TOOLE, PEET & CO. LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY - CANADA

Weber Bros. Agencies Limited
PROPERTY MANAGEMENT
REAL ESTATE — INSURANCE
FINANCIAL AGENTS
Edmonton Credit Building, Edmonton, Alberta

IMPORTED BASE STEEL

Use 60" wide MADE IN CANADA plate for shearing into smaller sizes, for pressing, forging, welding, stamping and fabricating.

Make an occasional joint where wide plate construction seems necessary in order to use a 60" MADE IN CANADA plate.

Truss the large spans with MADE IN CANADA U.M. plates and shapes replacing the wide plate girders with trussed girders beyond 60" MADE IN CANADA depth.

Imported steel structures, from Halifax to Vancouver, NOT ROLLED IN CANADA or Great Britain, are the prevailing designs of our Engineers.

Canada spends her money abroad for the substitute steel when nine millions of people could have been efficiently served with a design using MADE IN CANADA steel FINISHED IN CANADA. The money being paid for substitute imported semi-finished steel should remain in Canada.

For steels not used in the United States until they had 110,000,000 people to serve, our Banks, Railroads and Insurance Companies invest their surplus MADE IN CANADA money abroad for steel structures erected in Canada.

Our financial experts are engineered into using foreign steels under a very questionable saving and a positive loss to Canada of 100 per cent. of the steel price paid for the imported.

This is also going on in plate steel for pipe and plate steel for finishing into many articles, and Canada cannot stand such a financial drain.

—AND WHAT HAPPENS

All steel imported adds to Canada's adverse trade balance, depletes Canada's purchasing power, reduces Canadian employment and increases Canadian exchange, and jeopardizes the Canadian importers' business as well as our own.

Add the factor of secret boat and truck rates depleting our steel volume and Railway hauls. Every ton of rolled steel imported deprives our Railroads of three tons of traffic.

Consider that our Great Western wheat plant, consisting of Ranches, Railroads and Cities, must compete with Russia and Argentine, and you find our purchasing power greatly diminished and we must reduce the outgoing money.

There is too much semi-finished steel coming into Canada.

We do not take advantage of present exchange rates.

Inquiry Solicited

U.M. Plate 40" wide | U.M. Blooms and Slabs
Sheared Plate 60" wide | Steel Castings

DOMINION FOUNDRIES AND STEEL LIMITED
HAMILTON - ONTARIO

Return of the Chartered Banks of the Dominion of Canada, August 31, 1931

LIABILITIES

NAME OF BANK	Notes in Circulation	Balances Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$			$	$			$	$
Montreal	35,794,256	5,911,271	....	6,346,492	145,594,869	334,855,322	71,843,865	2,062,709	3,956,652	12,650,571	376,510	8,586,985
Nova Scotia	13,046,745	549,595	....	997,862	34,756,230	133,154,023	31,575,242	1,733,541	210,168	2,577,636	316,658	3,106,044
Toronto	6,582,589	74,556	....	1,065,812	26,135,985	67,504,301	....	449,360	215,798	2,229,736	731,062	1,103,823
Provinciale	3,947,822	73,382	....	31,281	5,314,328	16,198,202	....	649	....	75,667	....	21,630
Commerce	24,966,140	352,546	....	4,295,506	121,998,465	293,599,636	41,221,518	2,210,539	661,685	16,877,973	342,975	13,406,363
Royal	31,937,993	1,589,176	5,000,000	5,391,914	151,534,236	399,027,486	182,781,262	1,829,246	2,702,694	25,088,299	4,165,326	32,657,292
Dominion	6,746,913	133,285	....	403,662	28,925,104	66,785,198	2,871,985	1,142,473	316,854	1,337,239	....	1,276,913
Nationale	10,153,554	269,735	1,500,000	1,141,753	22,920,957	90,629,597	1,302,299	1,336,244	42,598	577,714	....	409,209
Imperial	8,347,825	546,194	....	6,467,268	29,918,104	73,378,744	....	1,827,781	311,260	2,301,870	....	759,243
Barclays (Canada)	289,195	41,150	....	....	1,264,140	959,068	....	104,477	889,253	1,760,037	....	15,650
Total	141,813,032	10,540,890	6,500,000	26,141,550	568,462,418	1,461,091,577	331,596,171	12,730,019	9,306,962	64,976,742	5,932,531	61,343,152

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorized	Capital Subscribed	%Last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	1,985,755	1,091,989	38,000,000	36,000,000	766,057,251	50,000,000	36,000,000	12	3,624,355	28,524,223	43,262,114	36,927,800
Nova Scotia	137,923	5,631	24,000,000	12,000,000	258,170,305	15,000,000	12,000,000	16	2,570,505	9,480,835	6,853,464	13,328,196
Toronto	110,296	180,998	9,000,000	6,000,000	121,384,321	10,000,000	6,000,000	12	1,764,046	401,300	5,848,300	6,737,524
Provinciale	29,830	94,612	1,500,000	4,000,000	51,287,405	5,000,000	4,000,000	9	593,194	278,698	435,503	4,031,667
Commerce	....	904,328	30,000,000	30,000,000	581,946,679	[illegible]	30,000,000	12	7,539,034	8,273,000	13,144,000	25,987,582
Royal	156,052	1,062,087	35,000,000	35,000,000	815,923,068	50,000,000	35,000,000	12	3,499,874	14,718,308	15,939,671	33,025,499
Dominion	430,985	1,493	9,000,000	7,000,000	126,372,108	10,000,000	7,000,000	12	1,468,189	1,039,000	2,130,000	7,124,618
Nationale	....	177,339	7,000,000	7,000,000	144,491,004	10,000,000	7,000,000	10	771,442	1,113,804	1,684,358	10,203,014
Imperial	....	5,437	8,000,000	7,000,000	138,863,730	10,000,000	7,000,000	12	243,752	954,287	3,178,044	8,548,828
Barclays (Canada)	....	....	500,000	500,000	5,822,973	500,000	500,000	......	....	13,384	138,436	295,430
Total	2,850,841	3,523,914	162,000,000	144,500,000	3,013,318,844	210,500,000	144,500,000	......	22,074,391	64,796,839	92,613,890	146,210,155

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere
	$				$	$		$	$	$	$	$	$
Montreal*	28,379,528	46,096,802	3,463,992	913,187	13,890,081	1,749	906,465	18,428,498	141,302,964	53,386,934	26,123,962	3,891,755	29,221,583
Nova Scotia	9,411,011	5,277,523	1,174,966	1,393,196	8,542,698	....	128,564	5,192,034	42,990715	16,010,329	12,194,501	14,840,554	7,738,792
Toronto	407,634	5,876,392	671,215	144,590	5,380,168	....	265,275	1,528,576	24,475,969	7,900,629	2,668,891	7,223,437	....
Provinciale	288,155	432,965	671,675	95,150	1,492,618	2,650,710	11,400	286,005	6,979,828	4,921,607	1,604,851	5,886,885	....
Commerce†	8,240,762	11,329,132	2,526,380	1,255,380	7,053,408	65,998	199,863	4,779,821	100,225,236	27,688,125	4,585,458	38,066,588	23,070,406
Royal‡	14,655,543	10,218,988	3,792,940	3,970,028	10,336,769	4,272	1,467,149	3,180,648	17,260,405	3,661,812	3,608,878	14,067,651	41,192,081
Dominion	1,041,954	3,687,795	996,670	199,525	4,110,710	....	98,920	1,985,849	13,506,930	4,873,465	1,085,114	1,782,341	1,442,717
Nationale§	1,130,264	1,794,902	1,261,065	223,395	4,278,329	248,031	45,471	822,170	21,731,408	11,531,368	2,910,177	8,726,415	....
Imperial	997,725	4,087,303	1,046,625	160,040	6,596,055	606,002	684,043	2,756,636	19,112,072	9,454,121	186,579	9,959,020	2,000,000
Barclays (Canada)	14,737	192,519	24,270	6,453	623,548	1,170,640	370,199	227,838	821,371	182,549	....	175,415	....
Total	64,567,313	98,994,321	15,629,798	18,462,944	92,304,384	4,747,402	4,477,349	89,188,075	452,406,898	169,610,939	78,967,511	158,630,062	109,665,579

NAME OF BANK	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
		$	$	$	$	$	$	$	$		$		$	$
Montreal*	163,983,906	36,762,707	11,188,351	35,681,566	563,648	390,166	1,278,554	14,500,000	8,586,985	1,692,109	5,000,000	1,821,963	120,882	770,490,451
Nova Scotia	83,569,246	13,662,269	676,397	8,467,385	358,531	62,862	84,169	8,336,833	3,106,044	557,703	3,000,000	2,647,908	103,022	259,527,261
Toronto	54,397,764	....	....	4,549,910	299,043	....	40,826	3,727,226	1,103,823	297,673	1,430,866	....	....	122,389,915
Provinciale	18,864,617	....	....	1,731,512	153,689	451,427	501,688	2,207,754	21,630	198,500	200,000	....	200,079	51,852,754
Commerce†	10,148,777	22,248,729	4,233,271	28,313,440	2,711,902	2,133,139	2,131,188	15,215,015	13,406,363	1,250,000	3,000,000	3,895,185	343,371	587,416,948
Royal‡	102,918,332	124,446,979	3,193,428	12,940,620	2,705,384	1,209,002	962,808	17,302,468	32,657,292	1,700,000	3,000,000	6,128,829	26,539	823,008,857
Dominion	63,752,561	1,615,692	....	1,918,053	215,754	49,747	15,364	6,075,029	1,276,913	330,000	200,000	....	239,203	127,500,315
Nationale§	64,525,820	59,528	3,430,363	10,912,410	180,862	859,427	721,611	5,766,304	409,209	355,283	3,600,000	....	114,003	145,643,824
Imperial	63,269,366	....	2,062,279	7,463,300	267,774	168,139	495,277	6,407,419	759,243	414,805	3,100,000	....	179,503	140,433,336
Barclays (Canada)	1,850,468	....	....	....	....	....	....	....	15,650	11,424	....	....	....	5,687,087
Total	1,127,280,857	198,795,904	24,784,089	111,978,196	9,456,587	6,323,909	6,231,485	79,538,048	61,343,152	6,897,497	27,530,866	14,496,888	1,726,602	3,033,950,740

Column No. 26. Of this deposit $13,630,866 is in gold coin; the balance is in Dominion notes.
*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.
†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.
‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.
§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Payments in Gold Difficult to Get

Must Apply to Receiver-General's Offices to Change Canadian Currency For Gold—Small Amounts Only Exchanged—Meeting Bond Maturities So Far at Premium

As a New York reader of The Financial Post I would like some information as to how I, an American, can exchange Canadian currency for gold. Premier Bennett has been reported as saying that Canada is still on the gold standard. I can buy Canadian dollars at a favorable rate under present conditions but my enquiries to Canadian sources as to how I can get gold bring unsatisfactory responses. There must be some way to get it. Will you tell me how?

I have also some Dominion Government gold bonds. Can I demand gold or its equivalent in United States dollars for interest and when the bonds mature can I insist on the principal being paid in gold or its equivalent in American currency?

Premier Bennett's statement that Canada is still on the gold standard left the way open to the logical assumption that an owner of Dominion notes could present them and demand gold, but for a long time it has been very difficult to get gold for Dominion notes. Banks in Canada are under no legal obligation to give gold for Dominion Government notes, nor their own notes, their only obligation being to give Dominion notes or specie, if they wish. To get gold one has to apply at the office of the Receiver-General at Ottawa or at one of the nine points in Canada where assistant receivers-general represent the Receiver-General. So far The Financial Post understands that gold exchanged on demand has been for small amounts. It has proved for some of those who tried it a long and wearisome process. But some gold has been exchanged and for that reason Premier Bennett still states that Canada may be considered technically on the gold basis. It is desired at Ottawa to keep up the proportion of gold behind notes but to issue as little as possible to Canadians or others. Canadians have been asked on patriotic grounds to co-operate with the Government by not asking for gold or exporting it.

Certain individuals, however, find it difficult to resist the opportunity of profit afforded by the existing situation under which theoretically a man can exchange Dominion notes for gold at par, buy American currency at par in the United States with gold or deposit the gold in an American bank at par, exchange this American money for Canadian dollars at about 13 per cent above par, then exchange these dollars for gold at par and thus by continually revolving the sum works itself higher and higher to a large amount.

It has been suggested to Ottawa that the Government should prevent this by forbidding the export of gold except by the Dominion Government on the ground that no government could long stand operations like those outlined. Through an export ban, gold taken by citizens would become sterile, earning no interest and not exchangeable for American dollars unless bootlegged across the border. Because it is against the National interest under present circumstances to let gold get away from central control in Canada, the present difficulties in getting gold for Dominion notes and gold obligations are likely to be accentuated as time goes on if the Canadian dollar remains at a discount.

The use of gold to keep Canadian dollars close to par in New York has for a long time been sparing. On an understanding between Canadian banks and the Dominion Government and because Canada's credit was until recently high in New York, gold has not been shipped to New York City in sufficient quantities to redress unfavorable balances for some time and maintain exchange. Gold is exportable at a profit when the Canadian dollar is discounted by more than 13/64 of one per cent, which represents the cost of shipping Canadian gold to New York from Ottawa. Before the recent fall the discount exceeded that amount without producing gold shipments.

The maturities of Government bonds and interest payments legally payable in gold materially increase the debt payments of the Dominion Government. This has been shouldered for the maturities on October 1, although under similar circumstances after the war the Dominion Government did not pay gold or its equivalent when the Canadian dollar was down about as low as at present. Those bonds, however, were only legally payable in gold in Canada. The Government will be obliged to meet those payable in the United States at par of gold in that country.

Ten years ago United States holders in many cases deposited funds paid them in Canadian banks until the dollar was once again at par or they invested in Canadian securities, allowing this fund to accumulate until a stable exchange situation was attained.

In a time of normal trade flow a comparatively small amount of gold for export would be enough to keep the dollar at par. The Canadian dollar for domestic purposes is as good as ever and when international trade improves it will be as good for foreign trade. Many United States firms are increasing their investment in Canada at present rather than take funds to the United States because they have confidence in Canada's future from the currency as well as other standpoints. Our gold mines are a real financial asset of great value to Canada to aid it in the present crisis. They send $1,000,000 weekly to Ottawa.

Collingwood Terminals

I hold some preferred shares of Collingwood Terminals Ltd. and would like to know the position of the company and what happened at the meeting held on August 26. Is there any possibility of preferred dividends being resumed at an early date? Why should Toronto Elevators Ltd. apparently be in good shape and able to pay dividends regularly while the Collingwood Terminals Ltd. have had to pass preferred dividends?

A statement of operations for Collingwood Terminals for the first six months of this year was presented at the annual meeting held on Aug. 26 in Toronto. This statement is not being made public but we understand that there was a smaller loss on operations during the first six months of 1931 than was the case in 1930. The company depends upon the last six months of the year to show a profit and an official of the company estimates that for the entire year of 1931 the company would show a profit of around $8,000 to $10,000 available for preferred dividends as compared with $5,672 shown in 1930. The last six months of the year is the busiest season since grain is taken in during August and shipped out in the following spring. The elevator which has a 2,000,000 bushel capacity, has been reasonably well filled since August and some 1,800,000 bushels of grain have been in storage, remaining space being reserved for handling. No statement is available as to the possible resumption of preferred dividends.

Collingwood Terminals, Ltd., has been handicapped in the past by inadequate harbor facilities which are being improved by the Dominion Government at the present time. It has also been necessary to build up a connection in the grain trade and the company has not been unaffected by the unsound condition of Canadian Terminals System, the parent company, and its various subsidiaries. Toronto Elevators, on the other hand, has not had to face any of these difficulties and has a very excellent connection with the grain trade.

At the annual meeting of Collingwood Terminals five new directors were elected to replace directors who had retired. L. H. Boyd, K.C., former chairman of the Board of Grain Commissioners, is now president and general manager. There has been some dissension on the board for some time, and it is understood that this has been removed with the election of the present board of directors.

The annual statement for the year ended December 31, 1930, was also presented at the annual meeting, but we presume that you have already had this statement, as it was issued last May and was detailed in The Financial Post at that time.

C. & T. Building

I hold 70 preferred shares of Commerce and Transportation Building Ltd. and would like to know if it is advisable to put up another 10 per cent of my investment in order to get anything out of it. I have received a letter from G. T. Clarkson stating that $150,000 is necessary to prevent the mortgagee from getting possession of the building.

The plan of reorganization as outlined to shareholders of Commerce and Transportation Building Ltd. and debenture holders of Stimson Buildings and Investment Co. by G. T. Clarkson, receiver, would appear to be the last opportunity that investors in these companies would have to protect their equity in Commerce & Transportation Building, Toronto. This plan has been ratified by security holders, but it is as yet too soon to tell whether the necessary funds can be collected before October 27 when the mortgage falls due.

Mr. Clarkson is receiving applications for stock in the proposed company which would take over the building but in the event that subscriptions fall below the required amount it is understood that the funds so subscribed would all be returned. There have been a great many difficulties to be overcome in connection with the building, some of which have yet to be solved. If sufficient funds are raised, however, to retire arrears on the present mortgage there is a possibility that good management and an improvement in general business conditions would permit the building to show some return to those who are able to put up additional money at this time.

Kolo Products

We would like to have your opinion about the prospects of Kolo Products of Canada Limited, as an investment for a woman.

Kolo Products of Canada Ltd. is only in the first stage of development but we understand that several laundries and industrial organizations are trying out the product. So far there has been no manufacture in Canada, the product being imported from United States. We understand that approximately 1,000 shares of the no par value stock have been sold of which at least half was subscribed by the original syndicate. At the present time we are informed that sale of the stock is not being pushed for the reason that several deals are pending which, it successful, would do away with the necessity of selling any additional stock. You will note in the prospectus that the company holds an option to purchase patent rights conditional on the company being able to secure paid up cash capital of $45,000 and putting a plant in operation prior to October 10, 1931.

Victory Bond Prices

Will you please let me know the lowest price Canadian Government Victory bonds sold at since they were issued during the War?

Canadian Victory loan bonds sold at their lowest price late in 1930, when the 5½'s of 1933 sold at 93, the 5½'s of 1934 sold at 88¼, and the 5½'s of 1937 sold at 94¼. These were the low points registered on the Montreal Stock Exchange, but since the greatest volume of trading is done "over the counter," it is probable that a number of transactions went through at even lower prices.

Federal Grain

Do you consider that the latest financial statement of Federal Grain for the year ended July 31, 1931, indicates that this company has definitely turned the corner and that preferred shareholders, although dividends have been dropped, can look to the future with considerable confidence?

There is undoubtedly reason for congratulations to executives and shareholders that the company had operating profits of $789,399 as against $66,444 in the preceding year. However, the company was evidently taking the conservative course under present conditions in only paying two quarterly dividends in the fiscal year. Its working capital position cannot be considered strong. The jump in bank loans and overdrafts from $851,558 to $2,783,683 was undoubtedly necessary to finance the greater volume of grain handled. The president, H. E. Sellers, stated that the volume to be handled during the coming year will be greatly reduced. Holdings of grain and other inventories during the year advanced from $60,032 to $2,943,500. It will be noticed that the banking indebtedness is secured by the grain and $1,000,000 general mortgage six per cent debentures issued as collateral and repayable on demand.

The position of the company makes still further improvement desirable. The holdings of stock and bonds at $213,124 represent in considerable part $75,614 Federal Grain bonds purchased in anticipation of sinking fund, and this is a real asset, and $137,510 of stocks valued as at July 31, 1930, with subsequent additions at cost. Most stocks have suffered a considerable decrease since that date. Some securities bought under the old régime have been disposed of and any loss has been absorbed in the course of the year's operations.

The grain stocks carried are stated to be fully hedged and conservatively valued. Accounts receivable were greatly reduced during the year and this may be considered a positive factor in time of disturbed business. A reduction from $1,553,089 to $173,220, however, must have entailed considerable losses. If so, the actual earnings for the last year before absorbing these losses must have shown a more favorable position.

The last report covered the second year of the company's operations since the consolidation of a number of grain companies to form Federal Grain. Although there was an operating surplus in the first year, bond interest was not fully earned and there was a reorganization of the directorate and management. Distinct advance has been made but the period of stress is far from over as indicated by the president's statement.

United Dairies

Would you please give me your opinion of 6½ per cent preferred stock of United Dairies Ltd., of Calgary, Alta.?

Do you consider the stock a safe investment?

Do you think it would be wise to switch to a half dozen stocks like Steel of Canada, B. C. Power, Dominion Stores, B. A. Oil, Shawinigan, McColl Frontenac and Ford of Canada A.

United Dairies, whose head office is at Calgary, Alberta, although we have not before us actual details of its financial statement, is reported by dairy men who have a wide acquaintance with dairy companies in Canada as having an exceptionally fine position among western dairy companies. The company's issued capital stock, as shown by the last statement in our possession, stood as follows:

First preferred 6½ per cent authorized $1,000,000, issued $750,000 of $100 par value;

Second preferred 6 per cent authorized $400,000, issued $400,000 of $100 par value;

50,000 no par value shares of common stock both authorized and issued.

The company has no funded indebtedness and it is believed to have an exceptionally strong liquid and financial position. It controls 28 creameries and distributing centres in Alberta and British Columbia. It has operated Central Creameries, Limited, Crystal Dairy and Union Milk Company since 1918. In British Columbia alone it has about 25 plants. Dividends are not only paid on the first preferred and second preferred stock, but an initial dividend of 25c. was paid on January 2, 1930 on the common stock. That dividend is still being continued although the company has naturally, under present conditions in Western Canada, not made much money in the last two years.

The other stocks which you mention all have arresting potentialities. Dominion Stores, B. A. Oil Steel of Canada, B. C. Power, Shawinigan and Ford of Canada apparently have exceptional possibilities for the next period of active business, although the world position of oil, steel and automobiles does not throw an encouraging light on current operations of Steel of Canada, B. A. Oil and Ford of Canada. Power companies are usually subject to less fluctuations than industrial in a time of depression. Dominion Stores has done well in spite of the depression and B. A. Oil has also had good business for such a year as 1931.

Bawlf Grain

Did N. Bawlf Grain Co. do better in its last fiscal year? I hold some of the preferred stock and would like to know if dividends are likely to be resumed soon?

Earnings of grain companies in the last crop year are likely to be higher than those of the previous period, and it is expected that N. Bawlf Grain Co. will report an improved position in the year ended July 31. As you know, the company recorded a net deficit, before dividends, of $340,704 in the year ended July 31, 1930. Preferred dividends were suspended in March this year. Though an improvement in last year's earnings is anticipated, prospects for an early resumption of dividend payments on the preferred are still indefinite since the outlook for the current year, owing to the short grain crop, is not encouraging. The preferred is cumulative as to dividends and it may be expected that when conditions get back to normal, N. Bawlf Grain will be able to make up its lost ground.

Canada Bread

I hold some Canada Bread 6 per cent bonds in a diversified list. Would you please give me an opinion on the same?

In the October 1 issue of The Financial Post an article indicated that on the preferred stocks the company is about earning its dividend. So far as the bonds are concerned earnings apparently protect them very well. In the year ended June 30, 1931, interest was earned nine times before depreciation, and more than four times after.

The company has a good history, good management and over a long period may give a good account of itself on the stocks as well as the bonds. The company's flour inventories have been obtained at a low cost, its equipment is efficient and it is therefore in a splendid competitive position to hold its present business and possibly get more.

Metropolitan Corp.

Have you any recent information on Metropolitan Corp of Canada? I hold some of the bonds and am wondering whether they are safe?

Though no official information on Metropolitan Corp. of Canada is available, our understanding is that there has been no change in the situation surrounding the company. As you know, the company deals in real estate and lease holds and owns chain store property in principal Canadian cities. Revenue is derived from the lease of these stores to Metropolitan Stores, Ltd., which is now owned by the F. W. Grand-Silver, Stores, Inc. In this way satisfactory revenue has been obtained in the past

Canadian Wineries

I would like an opinion on Canadian Wineries which I contemplate purchasing.

In the present fiscal year which began on May 1, 1931, Canadian Wineries to the end of August had earnings which were equal to or perhaps a little better than they were for the same period in the preceding fiscal year. Since then the price war which has developed in the sale of cheap wines may affect the dividend policy for the rest of the year. The company is believed, even under present conditions, to be earning its dividend, but while the outlook is uncertain, it is always possible that the directors may think it conservative to conserve cash for a period. In non-alcoholic beverage, cider and quality wine departments reports indicate results are keeping up. Cheap wines, however, are a large item.

Alberta Grain

Among my investments are some bonds of Alberta Pacific Grain Co. Would you be good enough to give me some quotations on these securities? What progress did the company make last year?

Earnings of Alberta Pacific Grain Co. in the year ended July 31, 1931, show a fair surplus over bond interest and full provision for depreciation at the customary rate. A substantial improvement in liquid position, reflected in the balance sheet, shows full provision in the way of bond redemption for sinking fund purposes. The report is in marked contrast to that of the previous year and reflects results of the first year's operations after the change of management and control, which took place last year, following the heavy losses experienced outside of the company's regular business. The present quotations on the 6 per cent bonds are nominally 55 to 60.

Directors state prospects for current season's business are much less favorable.

Bathurst Power

My holdings include some common shares of Bathurst Power and Paper Co. What is the outlook for this concern? Is it doing well?

Owing to the unsatisfactory condition of the newsprint industry at the present time, the common shares of Bathurst Power, and Paper Co. are not impressive. Operations were materially curtailed in 1930 and it is unlikely that there has been any improvement during the current period. Bathurst recently converted one of its newsprint machines for the manufacture of kraft container board, in an effort to offset the declining production of newsprint; this move may tend to improve earnings to some extent. The present company owns valuable assets but it has never demonstrated a satisfactory earning power since its formation in 1928.

Melchers

I hold some shares of Melchers Distilleries and would like to know how this company is getting on. Are export sales improving and do you think the company will start paying dividends again soon?

Competition in the distilling industry is very keen and price cutting in export markets has led to lower earnings of all distilleries. Melchers maintains a fairly satisfactory volume of domestic sales, but it is unlikely that earnings will show much improvement until conditions in the export market are stabilized. Eforts made by leading distilleries in this connection have not been entirely satisfactory. There has been no official intimation that dividends will be resumed in the near future.

Dominion Bridge

Amongst my holdings are some shares of Dominion Bridge Co. which I bought at higher levels than those prevailing today. Will the company's earnings be lower this year and does the company still occupy a satisfactory position?

The decline in the volume of major contracts awarded has probably reduced earnings of Dominion Bridge Co. this year though our understanding is that the company has had a satisfactory volume of small orders. The revenue from its holdings in Dominion Engineering Works, a subsidiary, has ceased for the time being owing to the deferment of dividends on the latter's stock. The long-term outlook, however, for Dominion Bridge appears satisfactory since it is the largest factor in the structural steel industry in Canada, and its nation-wide chain of plants place it in a favorable position to bid on business offering in all parts of Canada. The last balance sheet showed a satisfactory financial position, while prospects for some substantial orders in connection with a large bridge building programme to be undertaken in Quebec lends some encouragement to the near future.

Penmans, Ltd.

Is the preferred stock of Penmans Ltd. fairly safe? I have held some of the shares for a number of years but understand that earnings are off this year.

Penmans Limited, in common with other woollen and knit goods manufacturing concerns, has felt the effects of business conditions, and earnings are thought to have shown some decline this year. The preferred stock, however, should prove satisfactory since dividend needs amount to but $64,500. In 1930 this disbursement was earned nearly three times over, and has been paid for the last twenty-five years.

INSTAL MARINE LEG AT HALIFAX HARBOR

Will Effect Betterment in Handling Incoming Grain

From Our Own Correspondent

MONTREAL.—The Halifax Harbor Commission will install a marine leg for the purpose of discharging grain from ships during the next two months; it is expected that the new equipment will be ready for the winter business. The cost will be around $100,000.

The new marine leg will discharge about 15,000 bushels an hour and will mean, it is estimated, a direct saving in grain handling charges at Halifax of about a cent and a half a bushel, while vessels will also save in time and money between $1,000 to $4,000. While the port's facilities for handling of out-bound grain are efficient, that for incoming grain has been regarded as obsolete.

The new equipment will be valuable in the matter of handling coarse grain used for feeding purposes in the Maritime livestock and dairying industry, and it is expected that savings will be made to reduce the price of these grains to Maritime breeders. The Harbor Commission believes that with the opening of navigation on the Great Lakes next year there will be vessels bringing coarse western grain to the port, and that the new marine leg will be a substantial feature in handling these cargoes.

Handling of corn cargoes from South Africa and South America will also enter into the plan.

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Maple Leaf Milling Co., Limited

TORONTO and Subsidiaries

President, C. W. Band

Vice-President, H. J. Symington, K.C. *Managing-Director*, A. E. Nash, F.C.A.

Directors:—R. Cooper, E. R. Decary, K.C., D.L. Cameron, J. L. Henderson, R. S. Waldie, Arnold S. Matthews. *Auditors*, Riddell, Stead, Graham & Hutchison.

The Directors' Report and Financial Statement for the Year ended 31st July, 1931

TO THE SHAREHOLDERS: 15th September, 1931.

Your Directors submit herewith The Consolidated Balance Sheet and Profit and Loss Account of Maple Leaf Milling Company Limited, and its wholly-owned subsidiaries, The Campbell Flour Mills Company Limited, Hedley Shaw Milling Company Limited and Port Colborne and St. Lawrence Navigation Company Limited, for the twelve-month period, 1st August, 1930, to 31st July, 1931, as certified by your Auditors, Messrs. Riddell, Stead, Graham and Hutchison, Chartered Accountants.

The Operating Profit, before providing for Depreciation and Bond Interest, for the twelve-month period was $624,486.36, in addition to which the Company earned and received $117,084.28 on its investments, a total of $741,570.64. After providing for substantial Depreciation and for accruing Bond Interest in full and after making other provisions, as indicated in the Profit and Loss account, the net Profit for the year amounted to $143,427.82. This profit was made in what was possibly the most trying period in the history of Canadian business for a great many years, during which time the Milling Industry was faced with a number of very difficult problems. The Company's plants were maintained in a high state of efficiency and all maintenance charges were absorbed against Earnings for the year.

During the year the Company's Reserves were considerably increased and in the same period the Company's Liabilities were reduced by $2,709,431.34. The Inventories at 31st July, 1931, were conservatively valued.

The Company has maintained its share of the domestic and export business. The Selling Organization has been strengthened and Production and other departments organized to take advantage of any improvement in business conditions which may arise.

At the same time as you receive the Annual Statement, you will receive a Notice calling a Special General Meeting of Shareholders to be held on the same day as the Annual Meeting. This Special Meeting is to be held for the purpose of asking the sanction of the shareholders to a reduction in the stated value of the common shares of the Company. The way in which the Surplus arising out of the reduction in the Capital is dealt with is shown clearly in the accompanying Statement of Consolidated Surplus Account.

Your Directors announce the appointment of Mr. D. Campbell MacLachlan as General Manager of the Company, and he will assume his duties the first of October. Consequent upon this appointment, Major A. E. Nash, F.C.A., will resign as Managing Director but we shall retain the benefit of his supervision and advice, and he will remain as a member of the Board.

During the year Mr. Arnold C. Matthews was added to the Board.

Respectfully submitted on behalf of the Board of Directors. C. W. BAND, President.

CONSOLIDATED BALANCE SHEET, 31st July, 1931

ASSETS

Cash and Bank Balances		$ 90,421.86
Receivables:		
General	$ 964,015.59	
Controlled Companies	304,610.71	
Due by former Officers, Less amounts reserved	539,515.25	$ 1,808,141.55
Inventories		1,501,759.92
Investments:		
In Shares of Controlled Companies	$1,970,902.23	
Other Investments and Mortgages	264,443.45	2,235,345.68
Fixed Assets:		
Real Estate, Plant and Equipment (appraised depreciated value as at 31st March, 1929, plus additions at cost)	$6,980,469.88	
Appraised value of Leases and Contracts (Less amount written off)	1,694,699.25	8,675,169.13
Deferred Charges:		
1929 Bond Discount and Expenses	$ 369,367.07	
Deferred Operating Expenses	102,305.98	
Business Extension Expenses (Less amounts written off))	95,000.00	566,673.05
Goodwill and Trade Marks		859,401.40
		$15,736,912.59

Note: The Company has agreed to purchase during the next fourteen years $420,000.00 additional shares in Subsidiaries.

LIABILITIES

Bankers' Advances secured by Inventories and Receivables		$2,579,117.69	
Bankers' Advances secured by Shares of Controlled Companies and Other Investments		2,000,000.00	$ 4,579,117.69
Accounts Payable			275,591.23
First Mortgage 5½% Bonds, due 1949	$5,000,000.00		
Deduct: Redemptions	222,000.00	4,778,000.00	
Campbell Flour Mills Co. Ltd., 5½% First Mortgage Bonds due 1949. Pledged to Trustees for Bond Issue of Maple Leaf Milling Co. Ltd., above	$1,100,000.00		
Hedley Shaw Milling Co. Ltd., 5½% First Mortgage Bonds due 1949. Pledged to trustees for Bond Issue of Maple Leaf Milling Co. Ltd., above	$ 750,000.00		
Hedley Shaw Milling Co. Ltd., 6% First Mortgage Bonds due 1935, still outstanding		126,100.00	
		$4,904,100.00	
Bond Interest accrued		45,008.33	4,949,108.33
Reserves:			
Accounts Receivable		$ 184,920.86	
For Depreciation on Fixed Assets		612,077.15	
For Contingencies		400,000.00	1,196,998.01
Capital:			
*7% Cumulative Preferred—29,300 Shares of $100.00 each		$2,930,000.00	
Class "B" Preferred—25,000 Shares of No Par Value		500,000.00	
Common—100,000 Shares of No Par Value		1,000,000.00	
		$4,430,000.00	
Less: Par Value of Shares held by Subsidiaries		333,580.00	4,096,420.00
Surplus (as per statement attached)			639,677.33
			$15,736,912.59

*Dividends paid to 18th July, 1930.

Contingent Liabilities:

1. Guarantee of Preferred Dividend of Eastern Bakeries, Limited.
2. Customers' Bills under Discount $83,545.21
3. As Guarantor 7,000.00

AUDITORS' CERTIFICATE

We report that we have audited the books and accounts of Maple Leaf Milling Company, Limited, and its wholly-owned Subsidiaries for the year ended 31st July, 1931, and that we have obtained all the information and explanations we have required.

The accounts submitted herewith have been drawn up after giving effect to the proposed changes in the Capital Structure (which have yet to be approved by the shareholders) and with this qualification and subject to the adequacy of the reserves provided for claims against former officers, we certify that in our opinion the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Companies.

All our requirements as Auditors have been complied with.

RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants,
Auditors.

Toronto, 15th September, 1931.

CONSOLIDATED PROFIT and LOSS ACCOUNT For the Year Ended 31st July, 1931

Profits from Operations prior to provision for Depreciation		$ 624,486.36
Income from Investments		117,084.28
Bond Interest Paid and Accrued	$ 275,698.33	
Depreciation on Fixed Assets	262,444.49	
Amount written off Mill Stores and Supplies	25,000.00	
Proportion of Business Extension Expenses written off	25,000.00	
Written off Bond Discount and Expenses	10,000.00	
Balance—Net Profit for the year transferred to Surplus Account	143,427.82	
	$ 741,570.64	$ 741,570.64

STATEMENT of CONSOLIDATED SURPLUS ACCOUNT As at 31st July, 1931

Balance at credit at 31st July, 1930		$ 103,886.44
Net Profit for year to 31st July, 1931		143,427.82
TOTAL		$ 247,314.26
Less: Charges prior to 31st July, 1930		138,916.93
TOTAL		$ 108,397.33
Reduction in stated Capital transferred		1,000,000.00
Less: Appropriated for Contingencies	$ 200,000.00	
Written off Goodwill	100,000.00	
Written off Leases and Contracts	100,000.00	
Reduction in Book Value of Common Shares held by subsidiaries	68,720.00	
Balance 31st July, 1931, carried to Balance Sheet	639,677.33	
	$1,108,397.33	$1,108,397.33

Capital: $1,000,000

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Newfoundland Industry Shares In Depression

Review of Business Conditions in Island Dominion Reveals Problems Affecting Most Types of Activity

From Our Own Correspondent

ST. JOHN'S.—It is fortunate for Newfoundland at the moment that her industrial area along the trans-insular railway is continuing to maintain its fecundity despite the general depression, since its fisheries, which employ the major portion of the scattered coast population, are passing through a difficult period.

Buchans, which last year made a contract with International Power and Paper of Newfoundland for the supply of 6,900 electric horsepower from the latter's Deer Lake hydro plant by means of a 44¾ mile transmission line, has increased its output of concentrates from 540 dry tons daily to double that amount. While this has not necessitated any considerable increase in labor it has been of very great assistance as a revenue producer to the state-owned Newfoundland Railway, which hauls the concentrates over 80 miles of its railway to the shipping port at Botwood, earning thereby this year half a million dollars, or the equivalent of the customary annual deficit on that road.

Paper Industry Reviewed

The paper plant of the Anglo-Newfoundland Development Company at Grand Falls continues to steadily increase its output, now producing nearly 500 tons of paper daily in contrast to its 120 tons per day of twenty years ago. Unfortunately, the era of machines is hitting Grand Falls and its shipping port, Botwood. Mechanical stokers and other appliances have replaced men at the mill and sheds, and huge gantry cranes have left many idle at the Botwood shipping port.

Incidentally the Grand Falls plant shows that hydro has by no means eliminated steam as a prime mover. Although there is ample water power available for double the hydro development, last year the company installed three 3,700 h.p. high pressure steam boilers, supplying power to two 5,000 kilowatt non-condensing bleeder-type steam turbines and generators to provide additional power. These boilers are mechanically fed by pulverized coal and experiment has shown them to be more economical, taking investment costs and everything into consideration, than additional hydro development.

Grand Falls is a growing town with a large natural increase in population. Unfortunately, there is little growth in industry apart from the paper mills, and the increasing young generation is growing up with little hope of work beyond supplanting the older generation as it passes. This is a matter which is giving the producing company considerable worry.

Subsidiary settlements, which supply the logs for the mills at Badger, Millertown and Terra Nova, maintain a uniform output.

Wage Cut at International

The plant of the International Power and Paper Company, of Newfoundland, at Corner Brook, continues to produce its 600 or more tons of newsprint daily. Originally constructed as a 400 ton mill in 1925, it has steadily continued to exceed that figure. Last year it was one of the very few New World mills producing to 100 per cent or over. Unfortunately, a recent order from Mr. Graustein has instructed all around wage cuts of ten per cent, which took effect on September 15, and will apply to everyone from the president down.

At Hampden, in the bottom of White Bay, a drum-barking mill for the preparation of rossed or barked pulpwood for export has ceased to operate. An agreement made in 1928 between the Newfoundland Government and the late Harry J. Crowe, former Nova Scotia lumberman, provided that he was to have the right to export barked pulpwood until 1948, provided a sulphite pulp mill were erected by August, 1932. Crowe was also bound by the agreement to export not less than 25,000 cords yearly until 1938, or the agreement lapsed. This year only 13,000 cords were cut, none exported, and the agreement lapses. Neither has any attempt toward the construction of a sulphite mill been undertaken. The International are taking over the wood, and as the act gave the right to Crowe or his assignees to convey his holding to the I. P. or any other purchaser, it is probable this area will shortly, if it has not done so already, pass to the I. P.

Wabana at Low Ebb

Less fortunate is the position of the rising industrial centre — Wabana—the iron mines of Dominion Steel and Coal Corporation at Bell Island. Depending as they do upon the progress of the steel industry, not only in Nova Scotia but in United States and Germany, but especially the last, depression has very seriously affected this section. Customarily some 2,000 men find regular employment at Bell Island, but since September 15 the mines have been closed, ostensibly until the 24th inst. H. J. Kelley, vice-president of the corporation, and a number of other officers arrived at Bell Island on September 22, and when interviewed at the Newfoundland Hotel, where he made a few hours visit, Mr. Kelley stated the situation was "in a state of flux" until the return of C. B. McNaught, now en route from England. However, temporary arrangements have been made to continue operations on a four-day-a-fortnight basis.

At present there are about 200,000 tons of ore in the stock piles on the Island. It would be possible to just about clear this by the end of the shipping season if no more mining were done till then.

Shipments of ore to date show a decrease of nearly 450,000 tons as compared with last year to the same date, and it is evident that the total shipments this season will not exceed 700,000 tons, compared with 1,117,961 last season, and 1,516,997 in 1929.

Ore production from the four operating submarine pits on the Island is shown in the following comparative table:

Ore Mined at Wabana

	Tons
1922	782,000
1923	748,000
1924	655,000
1925	900,000
1926	841,000
1927	1,168,000
1928	1,421,000
1929	1,494,000
1930	1,423,000
1931 (probable)	700,000

German Trade Disappears

Decrease in exports to Germany are the greatest drawback, and it is understood that owing to the depressed state of German industry all of last season's ore exports are still piled at Rotterdam.

Bell Island has of recent years provided employment for 2,000 men, with a maximum of 2,500 during 1928, 1929 and 1930. About 1,000 of these are residents on the Island, while the others are recruited from settlements on the mainland of Conception Bay. Depression on Bell Island, therefore, affects not only the settlers on the Island, but those in many smaller settlements, whose men have hitherto found their source of income in the iron mines. Should operations entirely cease this winter it would mean that the earning power of possibly 3,000 persons will be cut off.

During the summer, owing to the depressed state of the world's steel industry operations on the Island have been cut to half time, miners working only three days per week, while surface work has been correspondingly reduced because of the reduction in shipments.

Fish Prices Low

That covers what may be considered the industrial side of Newfoundland, apart from her fisheries. Scattered all around the greatly indented, and consequently lengthy coast line of the country, dwell the fishermen who wring a meagre and precarious living from cod, herring, lobster, turbot, salmon and other fisheries. Like all raw products, fishes of all sorts are selling at a very low figure. While costs of supplies here decreased somewhat they have not fallen sufficiently low to compare favorably with the drop in the price of "fish," for codfish in Newfoundland is always "fish." Salted cod is sold today, when sales can be affected, at an average of about two dollars a quintal—an old-fashioned name borrowed from the French for a hundredweight (112 lbs.)

It is perfectly true that "number one" Spanish fish would bring the fisherman producer at least $6 a quintal, but owing to the prevalence in the past twenty years of buying codfish by a "tal qual" system good and bad lumped together at an average price, the quality of cure has very seriously deteriorated, and buyers say that number one codfish is almost impossible to procure. The difficulty of persuading the fisherman that he is seriously hurting his own best interests by this carelessness is one that will take many years of patient and continued propaganda to offset.

During the last session of the Legislature attempt was made, at the instances of strong representations from the local board of trade, to produce a codfish standardization bill of a kind. Unfortunately, it was badly emasculated in the process of debate, and after being made law was finally completely rejected by the codfish exporters, who were given power to avail of it by uniting as a board.

Federal Revenue Affected

The average income of the handline fisherman will not usually exceed $300 a year. Besides this he grows potatoes and other vegetables sufficient for his use. Often secures most of his own fuel supplies in the woods, sometimes at long distances, and during the last two years his family have been able, in some cases, to supplement the family exchequer from the blueberry picking industry. Where a group or family work a cod-trap the returns may be considerably larger, or if the fish does not strike, may leave them in an even worse condition than the "single-handed" man—in debt to the merchant. From certain sections of the Northeast coast there are some two or three thousand men who go to the Labrador coast in schooners each summer. The codfish they bring home is of an inferior quality owing to lying for a couple of months in the hold of the vessel in salt bull, and sells for about two-thirds the price of shore-caught and promptly cured cod. Both Labrador and shore fishermen are this season faced with a reduction in their earning power of from a half to two-thirds, owing to the low prices prevailing for cod. If the earning power in average years be put at $300 it can be seen how difficult is the situation which prevails. As almost the entire revenue is derived from import duties on an ad valorem basis it is evident that the country's treasury will be faced with a greatly reduced revenue for 1931-32.

Frozen salmon export trade, which in 1930 totalled close to two million pounds, fell off very seriously this season. Competition from Russia, Japan and the Scotch fisheries was very active, and there was also a considerable carry-over in the London markets from the previous year. In 1930, Job Bros. & Co., with whom were associated the Hudson's Bay Company, exported to London in one cargo a million pounds of frozen salmon. This year their collections were much lower and their floating storage plant, "Blue Peter," had only about three-quarters of a million to take to London, although taking not only the fish bought by Job Bros., but that of several other firms who collaborated with them in making shipment. Naturally, the earning power of the fishermen was affected, additionally so by a reduction in the price paid them last year of 6 up to as much as 12 cents per pound, to half that figure.

Lobster Catch Down

The lobster catch declined very seriously from the previous year, being only half the quantity of 1930. Strangely enough lobsters have reappeared on that section of the coast which faces the Gulf of St. Lawrence, and though it is against the law for them to do so, the fishermen, driven by the small codfish catch and low price are catching lobsters illegally. The Government was frankly puzzled at the situation arising. If the law were maintained, and the fishermen forbidden to catch these lobsters, an even greater appeal for public charity would have to be faced in the winter. Making virtue of necessity the Government have repealed the law for the present and legalized this unseasonable fishery. In defense it is argued that spawn-bearing lobsters are noticeably absent in this late influx.

Blueberry Pick Off

For the last two years the export of blueberries has amounted to considerable proportions, being valued in actual returns to the country last year at upward of a quarter of a million dollars. Government trade statistics are only kept on the actual exports, and these only available at the end of the state fiscal year. Estimates have to be based chiefly on returns supplied by the Newfoundland Railway, over which most of these fruit are shipped. As there was a carry-over at the end of last season of some 50,000 boxes, the exporters approached the problem very cautiously this year. Where they paid the picker 20 cents a gallon last year all they would consent to offer this season was ten cents. As a result the number who elected to pick berries was proportionately fewer, and the total gallons of blueberries secured for export this season is only 50,000.

The seal fishery, which opened with a fairly hopeful outlook, despite the overstocked nature of the oil market, was little more than well off to a start when the, now historic, Viking disaster happened. Every ship in the fleet with exception of two steamers hunting in the Gulf of St. Lawrence, was summoned to the search and rescue of survivors scattered on the ice floes. For a fortnight they were drawn from their hunt in this work of rescue, and when they again returned to seal hunting the season had become too late to expect anything but indifferent results. The total catch for 1931 amounted to 218,644 seals, valued at $118,226, compared with 241,236 seals valued at $405,809 in 1930.

Hydro-electric plants of small output continue to grow on the Avalon Peninsula. During the summer the completion of the Newfoundland Light and Power Company's installation of 5,000 h.p. at Pierre's brook, about twenty miles from St. John's, to supply the requirements of Wabana iron mines at Bell Island, was completed and put into production. During the late summer another hydro installation at Topsail, twelve miles from the capital, was begun and is rapidly approaching completion. This unit is being constructed by the United Towns Electric Company and will be later linked in with the Newfoundland Light and Power lines to aid in supplying Bell Island and suburban requirements.

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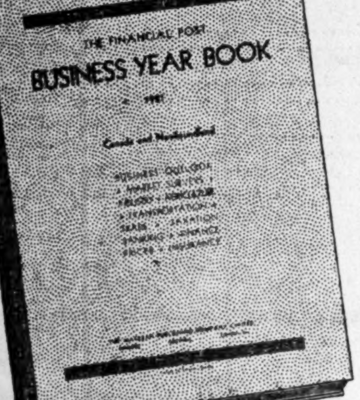

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BANKRUPTCY LAW ABUSES MAY SOON BE REMEDIED

(Continued from page 6)

est deterrents to fraudulent bankruptcy. It is here, or during the investigation which precedes it, that fraud on the part of the debtor is most easily discovered, and subsequent prosecution therefor should be the duty of the official receiver and not of the creditors, at their time and expense, as in Canada at present.

Another weakness appears regarding the application of a debtor for discharge. In Canada, this is submitted to the trustee who files with the registrar a report regarding the conduct of the debtor and the causes of bankruptcy. With a preponderance of friendly trustees these reports are merely a matter of form, and unless a creditor is represented by counsel at the hearing the application for discharge is invariably granted. Without an independent authority in possession of the facts, such as the official receiver in England, where a public hearing is also required, experience has shown that when a creditor goes to the trouble of objecting to a discharge the debtor usually pays him off and the application is granted. It is seldom indeed that the creditors as a body enter an objection.

Thus it will be seen that the offices of an official receiver who is really "official," a man of the best type, appointed by the government, and unconnected in any way with private business, forms the backbone of proper and efficient bankruptcy legislation administration. Creditors, as a rule, are merchandisers and traders who have neither the expert knowledge and technique for ferreting out fraud, much of which is of a complicated nature, nor the time required for attending court and so forth.

A new scheme of organization, following closely the present system of bankruptcy administration in England, has been outlined by the Better Business Bureau of Montreal as follows:

(1) An inspector general in bankruptcy and competent staff in Ottawa; such department to be divided into two main divisions, an administrative division and an auditing division.

(a) Administrative division would carefully check up trustees and determine whether or not estates were being administered speedily and properly, maintaining close contact with local official receivers and advising them in any difficult problem. It would also either confirm or refuse the appointment of trustees, and also investigate all complaints received from creditors. official receiver, or debtor.

(b) Auditing division would carefully check all dividend sheets and disbursements of trustees, and see that all disbursements were made according to law. Would also systematically audit the books of trustees in bankruptcy at least once every six months.

(2) Registrars and deputy registrars should be appointed in all large centres. They would be salaried officers of the court, who would receive petitions in bankruptcy and sit as judges to hear all applications. Registrar and his deputies would preside at a public examination of every debtor and at a public hearing of every application for a discharge. They would issue orders for a debtor to be prosecuted when, at such examinations, it was found that there had been fraud.

(3) Instead of the present official receivers, acting in a purely clerical capacity, there should be official receivers and deputies appointed in all large centres to receive authorized assignments, fix the bond of custodian, make a preliminary examination before the first meeting of creditors, deliver detailed observations on the bankruptcy at every first meeting of creditors, afterwards examine all books of the bankrupt and then bring each and every debtor before the registrar for public examination. There should be complete co-ordination between the official receivers and their deputies with the crown prosecutor's office.

(4) There should be a special crown prosecutor assigned to each district, to work with the official receiver in connection with the prosecution of fraudulent debtors.

(5) While creditors should be allowed to choose any competent trustee, their appointment in every bankruptcy should be confirmed by the inspector general's office. Trustees should be required to put up a blanket bond of a substantial amount; in addition they should provide a bond in every bankruptcy, the amount of which would be fixed at the first meeting of creditors. Specific qualifications for trustee should be determined by the inspector general's office, who should be advised by local Boards of Trade and Chambers of Commerce and other business organizations.

Dom. Steel and Coal Sept. Production Gains

From Our Own Correspondent

MONTREAL.—Output of Dominion Steel and Coal Corp. collieries for September amounted to 307,647 tons, an increase of 43,006 tons over August, but a decrease of 67,273 tons compared with the same month last year. Dominion Coal hoisted 206,741 tons; Sydney Mines, 28,233 tons; Spring Hill, 43,200, and Acadia, 29,500 tons.

Reveal Figures on Colleges

There were 73,515 students in attendance at the universities and colleges in Canada in 1930, of whom 37,400 were of university grade, 33,081 being full-time students.

CROWN TRUST IN SOUND SHAPE SAYS MANAGER

Investments Have Not Depreciated in Value

From Our Own Correspondent

MONTREAL. — Shareholders of Crown Trust Co. will be gratified to receive a letter over the signature of Irving P. Rexford, general manager, informing them that the company is in excellent financial condition and has met with no losses, in spite of the serious financial depression through which the business world has been passing.

Stating that the company is not carrying any doubtful accounts and that its investments have not depreciated in value, the letter continues:

"It has, as heretofore, maintained its strong liquid position. The administration of its affairs and of its clients always has been conducted on a strictly conservative basis and the wisdom of this policy has been amply proven during the last year or two.

"Our first mortgage loans, which are confined exclusively to the district of Montreal, are in very satisfactory condition. All of our other loans are very amply secured and our investments and other assets are in excellent condition. The personnel of our organization is actively employed and is being fully maintained ready to take full advantage of the expected improvement in business conditions in the future."

Stock Transfers Lower

Gross profits of Crown Trust Co. in 1930 were $261,100, compared with $294,205 in 1929. The reduction was attributed to the substantial decline in the earnings of the stock transfer department, and to the fact that practically all estates handled by the company in 1930 were of substantially reduced value, because of the depreciation in market price of securities held by the owners.

After all deductions the company earned 11 per cent on its paid up capital, on which dividends at the rate of 7 per cent are presently maintained.

Economic Investment Pays Interim Dividend

Assets of Economic Investment Trust Ltd. as at August 31, 1931, including cash, call loans and securities are stated to have a market value of $2,006,625 against a book value of $3,044,953 after reserves, general reserves and income account after allowing for accrued dividend. Directors of the trust decided that in view of the present business depression that has resulted in the passing or reduction of dividends by many companies and because of the uncertain outlook it would be advisable that the dividend payable October 1 should not exceed substantially the actual income received during the past six months.

An interim dividend of 87½ cents was paid on October 1 on the 39,925 shares of common stock which have a par value of $50. Previous semi-annual payments have been made at the rate of $1.25 since October 1, 1929. At the end of the last fiscal year on March 31, 1931, the trust had a surplus of $77,623. An amount of accruing income exceeding $25,000 is reported at September 30, 1931.

Trans-Canada Telephone Nears Completion in B.C.

British Columbia Telephone Co. has completed two-thirds of its work on the trans-Canada telephone line and the job is expected to be completed by the end of this year. The work in British Columbia being undertaken by B. C. Telephone involves the erection of 35,000 new poles and stringing two new circuits, or four wires, from Vancouver to Crow's Nest Station on the Alberta boundary, a distance of some 680 miles.

Completion of this line will give Canada its first all-Canadian telephone line from Vancouver to Halifax. The pole line mileage across Canada is about 4,300 miles. The building of the British Columbia link is the largest single construction undertaking in the history of B. C. Telephone Co. and nearly 200 men have been employed. Difficulties caused by rugged country have been increased by trouble from forest fires.

Asbestos Sales in 1930 Show Sharp Decline

From Our Own Correspondent

MONTREAL. — Canadian asbestos production in 1930, confined entirely to the province of Quebec, amounted to 240,412 tons, a substantial decrease from the output in the previous year. The figures reflect activity of Asbestos Corp., which plays a large part in the industry in Canada.

Sales of asbestos in 1930 amounted to 242,114 tons, valued at $8,390,163. This compares with 306,055 tons valued at $13,172,581 during 1929. Production represents a decrease of 20.9 per cent in quantity and 36.3 per cent in value. Asbestos rock mined in 1930 was 4,901,206 tons, of which 3,737,780 tons were milled.

Canada's exports of non-fabricated asbestos, including sand and waste, in 1930, consisted of 235,500 tons and comprised shipments of 6,632 tons to Great Britain, 188,462 tons to the United States, and 11,978 tons to Belgium. Other shipments were made to Germany, Italy, Japan, the Netherlands, together with smaller tonnages to Argentina, Spain, Peru and India.

Con. Foreign Investment Makes Preferred Payment

From Our Own Correspondent

MONTREAL.—Declaration of a 2 per cent dividend on the preferred stock of Canadian Foreign Investment Corp. for the quarter ended September 30, indicates the directors' intention of continuing regular payments at the 8 per cent rate.

In September, it will be remembered, a dividend of 4 per cent was declared on the preferred stock, which wiped out all arrears and brought the dividend record up to date. There is $1,751,700 of 8 per cent preferred stock outstanding.

Canadian Foreign Investment Corp. is a holding company, of which the Brazilian Portland Cement Co., operating in Brazil, is the main subsidiary. Net profits in 1930 were $314,668, compared with $322,178 in 1929. Payment of dividend arrears during the current year would indicate that satisfactory progress is being made in 1931.

Canadian Airways Cuts Windsor-Toronto Time

From Our Own Correspondent

MONTREAL. — Canadian Airways will inaugurate on October 19, a fast schedule between Toronto and Windsor, flying time between these points being cut almost in half. Instead of taking three hours as at present, planes will cover the distance in a little more than one hour and a half.

The faster schedule is being made possible through elimination of Hamilton as a point of call, and employment of planes with a top speed of 156 miles an hour. There will be a "jigger" service between Hamilton and Toronto.

The same connections with United States air lines will be made at Detroit, whereby mail will reach Chicago less than 5 hours after leaving Toronto and arrive in Winnipeg at the normal hour of 1 p.m. the following day.

Canada Census, 1931

Preliminary returns of the seventh census in Canada, as reported by the Dominion Statistician, shows population in cities and towns as of June 1, 1931, compared with the 1921 census figures, with percentage increase or decrease. Figures for 1931 subject to revision.

POPULATION OF CANADA
(Preliminary Figures)

	1931	1921	Incr.* %
NOVA SCOTIA			
Towns:			
Berwick	836	....	....
Clarks Harbour	900	965	— 6.74
Hantsport	713	683	4.39
Liverpool	2,676	2,294	16.65
Middleton	903	875	3.20
Mulgrave	974	...	...
Stewiacke	798	819	— 2.56
Truro	7,813	7,562	3.32
QUEBEC			
Cities:			
Joliette	10,758	9,039	19.02
Sherbrooke	28,888	23,515	22.85
Towns:			
Acton Vale	1,758	1,549	13.49
Barkmere	39	...	....
Beauceville	697	1,448	—51.86
Beauharnois	3,735	2,250	66.00
Chateauguay	1,675	881	90.12
De Lery	1,111	540	105.74
Huntingdon	1,616	1,401	15.35
Ile Cadieux	17	...	....
Lachute	3,897	2,592	50.35
Laprairie	2,772	2,158	28.45
Lennoxville	1,922	1,554	23.68
Montmagny	3,905	4,145	— 5.79
Quebec W.	1,806	130	1289.23
Racine	105	...	....
Rimouski	5,474	3,612	51.55
Riverbend	180	...	....
Saguenay	25	...	....
ONTARIO			
Cities:			
Brantford	30,060	29,440	2.11
Port Arthur	19,749	14,886	32.67
Sault Ste. Marie	23,045	21,092	9.26
Towns:			
Aylmer	2,282	2,194	4.01
Cochrane	3,939	2,655	48.36
Dryden	1,322	1,019	29.74
Fort Frances	5,499	3,109	76.87
Gravenhurst	1,919	1,478	29.84
Hearst	750	...	....
Kapuskasing	3,812	926	311.66
Kenora	6,769	5,407	25.19
Nesterville	180	...	....
Parkhill	1,029	1,152	—10.68
Parry Sound	3,473	3,546	— 2.06
Pembroke	9,368	7,875	18.96
MANITOBA			
Towns:			
Russell	828	696	18.97
SASKATCHEWAN			
Towns:			
Bredenbury	309	290	6.55
Cabri	549	532	3.20
Caron	207	243	—14.81
Estevan	2,918	2,290	27.42
Foam Lake	515	451	14.19
Govan	425	495	—14.14
Macklin	500	364	37.36
Nokomis	445	547	—18.65
Ogema	397	345	15.07
Rouleau	512	590	—13.22
Saltcoats	462	479	— 3.55
Scott	268	236	13.56
Strasbourg	507	514	— 1.36
Wilkie	1,214	778	56.04
ALBERTA			
Cities:			
Edmonton	78,829	58,821	34.02
Wetaskiwin	2,134	2,061	3.54
Towns:			
Athabasca	573	425	34.82
Bow Island	313	427	—26.70
Ft. Saskatchewan	999	982	1.73
Granum	329	279	17.92
Ponoka	830	712	16.57
Vegreville	1,651	1,479	11.63
BRITISH COLUMBIA			
Cities:			
Kamloops	6,093	4,501	35.37
Kelowna	4,597	2,520	82.42
Slocan	201	...	....
Vernon	3,884	3,685	5.40

Raymond Sugar Plant Active

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SECOND SECTION

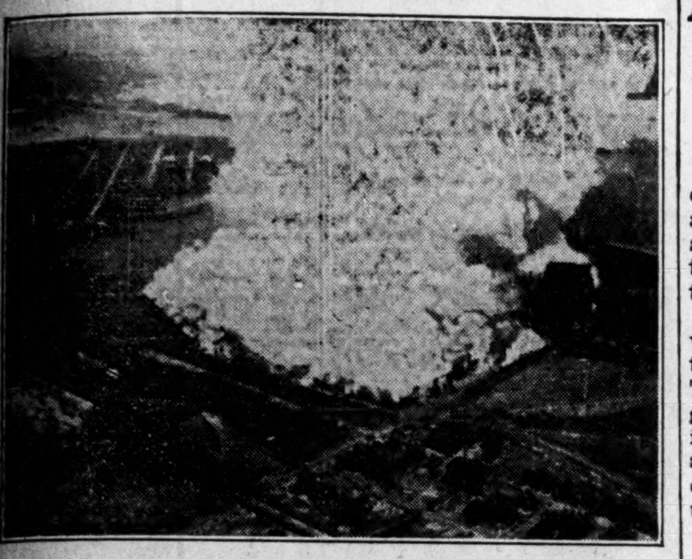
THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, OCTOBER 10, 1931 | 10c a Copy; $5.00 a Year | No. 41

Fire Costs Canada Hundred Million Dollars Annually

This Blaze Cost Saint John Many Millions



The disastrous fire which swept the waterfront of West Saint John this summer, destroyed sheds, wharves and elevators valued at nearly $10,000,000. Though this area is now being rebuilt the fire caused an economic loss that is a direct tax on business and which in many cases can be avoided by carefulness and forethought in matters of fire prevention.

Industry Can Lighten Tax, Insurance Burden By Making Fire Prevention Business Matter

By GEORGE A. LEWIS, Deputy Fire Marshal, Province of Ontario.

In times of business depression every business man and every citizen of Canada would heartily welcome a reduction in taxes and a reduction in insurance costs, yet few realize that both of these savings are directly possible if they would but take steps to remove the ghastly fire waste burden that they impose on themselves through negligence and carelessness.

Each year the fire tax of Canada and the United States is upward of a billion and a half dollars, in addition to which there is a tremendous indirect loss which cannot be expressed statistically. The destruction of large amounts of taxable property places a greater tax-burden on that which remains; the destruction of an industry forces a large economic loss upon the wage earner, the stockholder, and in turn, the merchant. In the face of these obvious facts we ask, "What city do you know of that really looks upon fire prevention as a business proposition?"

80 Per Cent of Loss Preventable

It has been computed that fully 80 per cent of the losses from fire are preventable and are the result of carelessness, negligence, and indifference; so that the elimination of this tremendous burden on the financial shoulders of the public is something that can be removed by individual effort and co-operation of those who have the best interests of Canada at heart.

Something of what can be accomplished is emphasized in the fact that among cities with a population under 25,000 reporting to the Canadian Joint Fire Prevention Committee last year, in connection with the inter-city fire prevention contest, there were 132 individual fire weeks (counting the week before, the week of, and the week after, fire prevention week) of which 72 per cent were fireless weeks, with a proportionate saving in dollars and cents. The result, shall we say, of fire consciousness, and aggressive inspection work.

Fire Chief G. H. Leonard, of North Battleford, Sask., puts it this way: "I might state that the splendid results of 1930 can be attributed to my campaign on fire prevention to which the merchants and also the householders have given their hearty co-operation. There seems today a more intelligent attitude taken by all concerned in connection with fire prevention, and I believe with continued efforts along these lines that fires will be reduced to a minimum."

Dwelling Fires Take Big Jump

Records for Canada show an increase in the number of fires in dwellings from 21,216 in 1929 to 24,103 in 1930, entailing a property loss of more than eleven and a half million dollars. While the property loss is appalling, the loss of life—especially among children, in residential fires—is a very serious blot on our modern way of living. Poor design of buildings, flimsy construction and improper installation and maintenance of heating apparatus is responsible for a great many fatalities and much of the loss.

Statistics show that more than one-third of our annual fire waste occurs in rural districts and that 56 per cent is made up of village and farm losses, accentuating the necessity of providing properly organized community fire brigades. A comparatively small number of "big fires" account for approximately another third of our annual fire waste. In 1927 there were 23 fires in Canada exceeding $100,000 each, entailing a loss of $3,426,000, and 37 fires between $50,000 and $100,000, resulting in losses amounting to $2,515,000; whereas, in 1930, there were 41 fires in the class exceeding $100,000, with a total loss of $7,969,606 and 72 fires in the $50,000 to $100,000 class, resulting in a loss of $4,662,051. An increase of 90 per cent in number and 112 per cent increase in the amount of losses from these large fires.

More Automatic Sprinklers Needed

The more general installation of automatic sprinklers in industrial plants, warehouses and stores, and more thorough and efficient systems of inspection would materially reduce the amount of our annual fire waste. Economists realize that this perpetual tax is a serious burden to industry and an enormous handicap in carrying on business.

Modern construction of a fire resistive character has helped in a great measure to reduce fire losses. Industrial expansion has, in turn, through the discarding of inadequate and unsuitable buildings, left as a serious menace, empty, dilapidated structures, not worth remodelling. These are conflagration breeders and should be promptly razed.

Through the continual grind of keen competition new hazards to life and property are continually springing up. These are the result of research work for the utilization of by-products, the discovery of new combinations of chemicals that change or alter processes, and the short cuts incident to mass production. We are not disparaging progressive development but we are accentuating the necessity of safeguarding life and property from unnecessary fire where hazardous operations are carried on.

Insurance Rates Drop Lower

The splendid efforts put forward in the work of fire prevention and protection is rewarded by the knowledge and demonstrated by the fact that during the last twenty-two years there has been a constant drop in the average fire insurance rates in Canada from $1.50 per $100 of insurance in 1908 to an average insurance rate of 79c. per $100 in 1930.

The fire insurance companies are now charging 53 per cent of the rate maintained 22 years ago, consequently the public is saving 47 per cent in the cost of fire insurance; equal to an annual dividend from fire prevention activities of about 50 million dollars. The value of property insured in 1930 was eleven billion eight hundred and fifteen million dollars. The rate charged for fire insurance protection is closely related to the amount of the losses from fire so that the figures quoted illustrate in a most conclusive manner the importance and magnitude of the work of fire prevention.

This May Happen to Your Plant Tomorrow

Fire prevention is a sound business proposition for every property owner whether it is a home or a million dollar warehouse or factory that is concerned. In this case the firemen have already "called" which means it is too late. Nine times out of ten they never call if adequate fire protective measures are taken.

Fire Toll in Canada Almost Equals Loss In High Year of 1929

While Number of Fires Was Substantially Higher

MANY HIGH LOSSES

Vancouver Leads Provinces in Per Capita Loss, With $7.95 — Average $4.70

Canada's tremendous fire loss record of 1929 was very closely approximated in 1930. Dollar value of losses throughout the Dominion were but 4 per cent lower, the 1930 toll amounting to well over 46 million dollars, while the actual number of fires reported was substantially greater, being approximately 40,000 as against 36,000 in the previous year.

While this can possibly be explained by the fact that during a widespread depression such as has been experienced in the past two years, the number of fires rises, especially in the small outbreak class, small satisfaction can be gained from the slight reduction in total cost of fires, when the value of inventories of all classes of merchandise is taken into consideration.

It is but small consolation to note, too, that during 1930, as in 1929, there were no fires involving a loss of a million dollars or more. There were, however, 41 fires in which the individual loss exceeded $100,000 and eight in which the loss was in excess of $250,000. A list of the latter is appended:

Losses Exceeding $250,000

Province	Property	Loss
Vancouver, B.C.	C.N.R. Wharf	$731,000
Thunder Bay, Ont.	C.N.R. Warehouse	725,000
Mount Dennis, Ont.	Wool Warehouse	575,000
Ottawa, Ont.	St. Joseph's R. C. Church	418,000
Port Arthur, Ont.	Union Elevator	350,000
Toronto, Ont.	Hardware Store	298,000
Hebertville Stn., P.Q.	Conflagration	286,000
Vancouver, B.C.	Warehouse	253,000
Average for eight fires		$454,500

1930 Toll—311 Lives

In contrast to the reduction in property losses during the year 1930, the loss of life by fire showed an unfortunate increase of approximately 38 per cent, no less than 311 persons meeting their death by burning or otherwise as the result of fires as compared with 233 in 1929.

Among the various provinces the best fire record, as judged by the dollar loss per capita, was made by Nova Scotia, where the fire loss for the year was represented by $2.48 per capita. Prince Edward Island came second with a loss equal to $2.74 per capita, this province also showing the greatest improvement over the previous year when the figure was $8.25, although, being based upon a population of only 86,000 this reduction was effected by a difference of but $475,000 in actual total loss.

Losses were higher in all provinces except the two above named and Alberta and Saskatchewan. The heaviest per capita increase was reported against Vancouver, with the high rate of $7.95, an increase of 95 cents per capita over the previous year. Alberta's loss at $2,963,191 was nearly $900,000 lower than in 1929, the per capita figure dropping from $5.88 to $4.58. Saskatchewan had a loss of $3,504,293, which was about $1,500,000 lower than in the previous year, representing a reduction of from $5.60 to $4.04 per capita. Quebec, with losses totalling $12,176,675 increased the per capita rate from $4.42 to $4.51, and Ontario, with the total of $16,145,531 as against the previous year's $15,781,521 experienced a per capita rate of $4.93 compared with $4.82 in 1929.

Grouped according to the occupancy of properties, the number of fires and the amount of losses during 1930 were as follows.

Occupancy Group Classification, 1930

Group	No. of Fires	Property Loss	Aver. Loss per Fire
Manufacturing plants	1,150	$10,208,522	$8,877
Mercantile establishments	3,676	11,471,834	3,120
Residential property	24,103	11,625,274	482
Farm property (other than dwellings)	3,962	5,002,146	1,262
Garages	930	1,638,728	1,762
Churches, presbyteries and chapels	182	1,066,630	5,870
Schools, colleges, convents, etc.	246	658,484	2,680
Hospitals, sanatoria and homes	66	148,966	2,260
Miscellaneous property	4,802	4,289,291	894
	39,117	$46,109,875	1,179

Insurance Covered 78 p.c. of Fire Loss

Of the total fire losses in Canada during 1930 amounting to $46,109,875 records show that 78.27 per cent was insured loss and the balance of 21.63 per cent uninsured. Nova Scotia had the greatest proportion of losses uninsured being covered for less than 66 per cent of the total, while Manitoba was the province best covered, the insured loss being 82.7 per cent of the total. Quebec was covered for 75.7 per cent of her fire loss and Ontario for 82.3 per cent.

Following table shows the amounts insured and uninsured of the total fire loss in the various provinces:

Province	Insured Loss $	Uninsured Loss $
Alberta	2,441,134	522,057
Br. Columbia	3,724,737	976,353
Manitoba	2,271,646	474,658
N. Brunswick	1,279,427	663,458
Nova Scotia	1,077,923	536,470
Ontario	13,293,428	2,852,110
P. E. I.	146,250	89,694
Quebec	9,218,642	2,958,033
Saskatchewan	2,681,770	822,523
1930 Total	36,134,957	9,974,924

Fire Ratios Exceed Those Of All Nations

The outstanding feature of fire prevention work in Canada during 1931 was the thirty-fifth annual convention of the National Fire Protection Association, held in Toronto, during the week of May 11. Numerically and otherwise this meeting has established a record for the association, the proceedings of which have recently been published in a 472 page volume.

In reminding the public of the objects, ideals and accomplishments of the institution, President Frederick T. Moses stated: "We are not an insurance organization nor a trade association. Our membership is international in character. It is representative of nearly every known industry; of finance, education, chambers of commerce, fire departments, fire marshals, labor, and public institutions. We are a combined technical organization engaged solely in a true conservation movement.

"Fire prevention is difficult to sell; (if I may use that word) it is negative in character in that it produces little for the average individual in terms that are measurable or that appeal to him. Indeed, perhaps its only obvious measure is expressible in terms of his insurance premium."

"We know and have proved repeatedly that industrial fire hazards can be reduced to a negligible minimum, that the prevention of flimsy building construction through the adoption of adequate building codes is a large factor in the prevention of the spread of conflagrations, that arson laws will tend to prevent the criminal destruction of property, that definite results accrue from the adoption of adequate fire prevention regulations, combined with local inspections, and so on."

"One may quote endless statistics, but there are two outstanding facts, and they apply equally to both the United States and Canada; first, our fires are increasing faster than our populations; second, our burning ratios are far greater than those of all other civilized nations, regardless of whether these ratios are expressed in relation to per capita wealth or in the number of fires per thousand of population."

Start New Turbo Generator

Southern Saskatchewan gains a large amount of new electric power with the bringing into operation of the 10,000 kilowatt turbo generator of the National Light and Power Company installed in the Moose Jaw power house the other day.

ONTARIO SPENDING BIG SUM YEARLY TO SAVE FORESTS

Fewer Fires in 1930 But Area Covered is Greater

Ontario's forest fire protection bill for 1930 amounted to $2,281,915, according to officials of the Forestry Branch, Ontario Department of Lands and Forests under whose care this important work is carried on.

This total cost compares with $1,734,014 for 1929, showing an increase of about $550,000 in expenditure, of which nearly half was well spent on additional new equipment. Also, an additional $10,000 was transferred to air operations in connection with forest ranging work, making the total thus allotted $70,000.

The total number of fires during the year was 1,402 compared with 1,550 in 1929, but in spite of the lesser number the area burned over was greater, being 711,809 acres as against 625,643 acres in 1929. As usual the spring hazard was the worst, the hot dry weather being accompanied by exceptionally strong winds. Thus, more than half the total number of fires occurred before the end of June, these involving 94 per cent of the total area burned over.

Campers Responsible

One very significant fact stands out above all others from a survey of the statistics, and that is that 28.6 of the number of fires and no less than 77.5 per cent of the total area burned was attributable to campers, these figures being brought into still stronger relief by the fact that the next most prolific source of fires, namely, lightning, only accounted for 13.6 per cent of the number of fires and 8.2 per cent of the total area. The following table shows in detail the causes of forest fires in Ontario during the past three years.

Classification of Forest Fires By Origin

Origin:	No.	1930 %	1929 %	1928 %
Settlers	253	18.1	7.2	15.5
Campers	400	28.6	26.7	21.7
Railways	119	8.5	12.0	18.3
Lightning	191	13.6	16.1	6.3
Logging operations	44	3.1	3.6	5.4
Smokers	152	10.8	10.3	12.3
Road construction	37	2.6	1.4	1.3
Miscellaneous	102	7.3	3.9	6.7
Unknown	104	7.4	18.8	12.5
Totals	1,402	100.0	100.0	100.0

The most disastrous fire of the year occurred on that day in the Port Arthur district, and of the total 448,000 odd acres burned over in the year in this inspectorate, this one fire accounted for no less than 173,350 acres. It was discovered when it was quite small, but before it could be extinguished it was fanned out of control by a gale and within 36 hours had covered an area of some 70 miles long and two to four miles wide. Men and equipment were placed at strategic points as rapidly as possible but the inaccessibility of the area hampered the work of the rangers. At one time 226 men were engaged on the fire with 18 fire-fighting pumps. Approximately 100 tons of freight was transported to the fire area by aircraft in addition to that taken in by canoes. Actual fire fighting lasted until July 2, and the burn was patrolled for fear of further outbreaks until September

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Proclamation Heralds Fire Prevention Week

Vere Brabazon, Earl of Bessborough, Urges "Loving Subjects" to Inspect Premises, Instruct the Young and Extend Safety Measures

GEORGE THE FIFTH, by the Grace of God of Great Britain, Ireland and the British Dominions beyond the Seas KING, Defender of the Faith, Emperor of India.

To all to whom these Presents shall come, or whom the same may in anywise concern,—

Greeting:

A PROCLAMATION

WHEREAS it is shown by authoritative statistics that the amount of the average annual loss of insurable property by fire in Canada exceeds forty-five million dollars and that more than three hundred persons annually lose their lives as a result of fire;

AND WHEREAS the waste thus occasioned, represented in terms of human life, money, labor, time and natural resources, cannot be recreated but is an absolute and irrevocable loss largely distributed over the entire population through the agency of fire insurance which imposes an inescapable and burdensome tax upon industry and thrift and substantially adds to the cost of living;

AND WHEREAS it is shown by reliable statistics that at least eighty per cent of the fires which occur originate either directly or indirectly through inexcusable ignorance and neglect and are therefore preventable and that the exercise of reasonable prudence and proper carefulness on the part of responsible individuals would reduce the losses by fire in Canada to the comparatively insignificant proportions of losses in other countries;

AND WHEREAS economic and humanitarian considerations imperatively demand that human life and material resources in Canada be so far as possible conserved in order that the national prosperity may be maintained and that the general welfare of the people may be measurably increased;

AND WHEREAS it is desirable that the attention of the public be directed to the extent and underlying causes of the preventable loss of life and property by fire and to the best and most practicable means for its control and that a specific period of the year be set apart and properly designated for the dissemination of such information;

NOW KNOW YE that We, by and with the advice of Our Privy Council for Canada, have thought fit to appoint and do appoint the week commencing Sunday, the fourth day of October, and ending on Saturday, the tenth day of October, in this present year as "Fire Prevention Week," and We do recommend to all Our Loving subjects that at some time during that week as may be found most practicable,—

1. All dwellings and their surroundings be carefully inspected by their occupants and all conditions likely to cause or promote the spread of fires removed.

2. All public buildings, stores, warehouses and factories be inspected and cleaned of rubbish in order to reduce fire hazards and maintain health and safety.

3. All hotels, theatres, asylums, hospitals and other institutional buildings be inspected and provision made for all changes necessary to protect the occupants from danger in the event of fire.

4. Fire drills be held for the children in all schools, for the inmates of all institutions and for the employees in all large stores and factories in order that a greater degree of safety may be ensured by acquainting the occupants with the best and most expeditious mode of exit in time of danger.

5. Special instruction on the subject of fire prevention be given by the teachers and by municipal officials in the schools and that such appropriate literature as may be made available be distributed to the pupils.

6. Boy Scout leaders give instructions to the troops under their control as to the best means of co-operating with municipal fire departments in the prevention and extinguishment of fires and especially as to the desirability of qualifying for the Fireman's badge.

7. All legislation and regulations enacted or issued by Dominion, Provincial or Municipal authorities dealing with fire prevention be given publicity by the municipal officials and that by public meetings or otherwise as may to them seem most fit, they endeavor to impress upon the citizens the national importance of safeguarding life and property from loss by fire.

OF ALL WHICH OUR Loving Subjects and all others whom these Presents may concern are hereby required to take notice and to govern themselves accordingly.

IN TESTIMONY WHEREOF, We have caused these Our Letters to be made Patent and the Great Seal of Canada to be hereunto affixed, WITNESS: Our Right Trusty and Right Well-beloved Cousin and Counsellor, Vere Brabazon, Earl of Bessborough, a Member of Our Most Honorable Privy Council, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, formerly Captain in Our Territorial Army, Governor-General and Commander-in-Chief of Our Dominion of Canada.

AT OUR GOVERNMENT HOUSE, in Our City of Ottawa, this Twelfth day of September, in the year of Our Lord one thousand nine hundred and thirty-one and in the twenty-second year of Our reign.

By Command,
G. R. SHIBLEY,
Acting Under-Secretary of State.

PREVENTION WORK WILL REFLECT IN INSURANCE RATES

G. D. Finlayson Says Insurance Companies' Surveys Are Valuable

That the argument most likely to be effective in favor of improved fire protection is that the citizens will enjoy, as a result thereof, a lower rate of insurance, was one of the points made by G. D. Finlayson, Dominion Superintendent of Insurance in submitting his report as secretary of the Dominion Fire Prevention Association at the last annual meeting.

Commenting upon the work of the association, Mr. Finlayson said:

"It is only too evident that there is a crying need for a better recognition of the public responsibility in respect of institutions housing children and the unfortunate. While immediate results are probably not to be looked for, the constant agitation in favor of better conditions will in time inevitably produce results. A study of the hazard inherent in inflammable liquids and in refrigeration appliances is overdue and deserves all the assistance that the association can give to it.

"In October last, as usual, assistance was given to the campaign in observance of fire prevention week through the co-operation of the fire marshals of the provinces, and a very large amount of publicity matter was distributed. Owing to special circumstances prevailing immediately prior to that time, it was found impracticable to have total distribution made from Ottawa, and the distribution had to be made by express to the offices of the fire marshals. This distribution proved more costly than heretofore, and, as a result of this, and a larger amount of printed matter was distributed, the amount available for the vote for that purpose was exceeded and had to be charged to the vote of this year. Your president has explained that this work is carried on by an annual grant of $10,000 by the Dominion parliament. The result will be that there will be less available for this work this year, unless the cost—I throw out the suggestion—is shared by the respective provinces.

Improvements Needed

"It has long been evident that there is much need for improvement of the fire protection of the cities and towns in Canada. The question arises as to how this need can best be filled. Various agencies are now making their contribution toward the desired end. Municipalities have their engineering staffs more or less well equipped for the work. The fire insurance companies are continually making valuable contributions to the safety of the municipalities by the surveys which they are making on fire protection and equipment for the purpose of fixing insurance rates. It is doubtful if the value of this work, as an adjunct of fire prevention activity, is properly appreciated. This may be because surveys are undertaken primarily for the purpose of the insurance companies, and their recommendations may, for this reason, be less welcome than they would be under other conditions. Seeing, however, that these services are now being rendered, it becomes a question as to whether it is desirable to undertake anything in the way of duplicate surveys. The need is not for more surveys but for more favorable consideration of recommendations made as a result of surveys already undertaken.

"It may be that some means can be devised by this association, possibly acting in co-operation with the Union of Canadian Municipalities, the Canadian Chambers of Commerce, or

(Continued on page 12)

Canadian Industries Emphasizes Fire Drill In Company Plants

Fire Prevention Training Considered Essential by Company

STRESS INSPECTION

Building Rules Also Adapted to Make C. I. L. Plants Fireproof

Canadian Industries Ltd., no less than any other large company endeavoring to maintain a high standard of efficiency with a minimum of waste, is whole-hearted in its efforts to ensure adequate protection for its employees and properties against the hazards of fire.

Owing to the wide diversity of its interests, the company is continually being confronted with a variety of different problems in the pursuit of those efforts which industries concerned with a narrow range of products do not ordinarily encounter. Consequently, although there is a relationship between the products of every one of C. I. L.'s sixteen plants, no standard method of attack is applicable generally, for the degree of fire hazard varies enormously from the comparative absence of risk in the production of salt and fertilizers to the hazardous processes used in the manufacture of high explosives and the wide range of paint and varnish and fabrikoid products.

Willing Co-operation

The older plants of Canadian Industries Ltd., being engaged entirely in operations calling for exceptional care and supervision in each successive stage, have given particular attention to the prevention of fire and accidents of all kinds. Being fully cognizant of the valuable benefits accruing from this phase of activity the company's task of stimulating a similarly enthusiastic interest among the employees of each new plant, as it was erected or acquired in the course of the company's expansion of the last few years, was not so formidable as it might otherwise have been; and having gained the interest of employees it has been a matter of no great difficulty to enlist their active support. The formation of works safety committees and departmental sub-committees followed as a matter of course.

There are as a rule from five to twelve members of the works personnel on the Safety Committee, and it is their duty, among other things, to conduct periodical inspections of the whole plant, concentrating especially on unsatisfactory conditions and possible sources of fire. If any hazard comes to light on their round of inspection, they are responsible for advising the proper authority, who takes immediate remedial action.

Regular Inspection

In addition to this general inspection, there is a thorough and detailed monthly inspection, carried out by a competent individual who makes a complete report on special forms provided for that purpose. In this inspection cognizance is taken of such features as general "housekeeping," storage of inflammable liquids, maintenance of electrical wiring and equipment, common hazards of heat, light and power, structural defects, condition of interior and exterior extinguishing equipment, with particular attention to testing sprinkler systems, alarms, fire pumps and other protective apparatus. A fire brigade has been organized at each works, and it turns out weekly during working hours for a seriously-conducted fire-drill in which hose drill is given prominence, and employees are instructed in the use of hand extinguishers, the ordered vacating of buildings, salvage operations and so forth.

Over and above these preventive measures, frequent inspections are made at regular intervals by a representative of the head office safety and fire protection section and by members of the company's engineering department, serving as a further check and affording local managements the opportunity of discussing special difficulties which may arise. On such occasions information pertinent to improvements that might possibly entail the expenditure of large sums of money is obtained.

Building Design

When considering new projects that demand the extension of existing plants, or the erection of entirely new works, careful thought is given to the question of adequate fire protection. Among the factors always taken into account are the safest location and grouping of buildings, their proper construction and sub-division into convenient fire areas, the provision of suitable physical barriers, the protection of elevator wells and stairways, and other floor openings through which fire might be communicated. The layout of water mains, hydrants, sprinkler systems, etc., is also a matter of extreme importance, as are the segregation and safe storage of highly-combustible materials, the ventilation of inflammable and toxic vapors, the provision of vent in case of possible explosion, and the protection against lightning and static.

Whenever fire does occur, whether loss results or not, an investigation is made at once and a full report submitted to head office, where valuable information gathered from further study is disseminated to plants where it might prove useful.

A most gratifying feature of the company's fire prevention activities is the ready co-operation employees throughout the organization have always given in the unceasing campaign against the common causes of fire.

Fire Tax Burden Can be Reduced

W. H. Shapley, president of the Dominion Fire Prevention Association in his annual address given in Toronto before that body last May, said:

"We are complaining about our taxes and there appear to be a number of new taxes that may be placed on us which we cannot escape. None of them compares with the tax caused by fire waste. Taxes caused by the Government cannot be avoided but taxes caused by fire waste can be materially reduced without doubt. They are doing it in other countries and there is not the slightest reason why it cannot be done here. If we are going to improve the condition which now exists we must have the help of public-spirited men in the different municipalities who will form themselves into fire prevention associations and endeavor to reduce the fire waste in their own district."

Time is Ripe For Installing Safety Devices

"All property owners should be seized with the fact that, with the low costs of materials at the present time and the desirability for providing labor, there never was a better opportunity of installing fire protection than at the moment," said J. Grove Smith, Dominion Fire Marshal, speaking at the annual meeting of the Dominion Fire Prevention Association.

Emphasizing the value of such an investment, Mr. Smith said:

"During last year, there were forty-four installations of sprinkler equipment in Canada and three hundred and thirty-seven extensions to already existing systems, the values protected by automatic sprinkler protection being twenty-nine million dollars, the cost of the systems amounting to $1,350,000. The insurance saving was just over $210,000 per annum, making a 16 per cent investment on the cost of the improvement. As this association has at all times emphatically stated, there is no other method of fire protection equal in its value, not only as a means of preventing the loss of property, but also as a means of reducing the insurance rate. There is no other means of fire insurance equal in value to that system.

Describes as Menace Protective Equipment Usual in Institutions

J. Grove Smith, Dominion Fire Commissioner, Flays Authorities Responsible for Administration of Institutional Buildings for Indifference

The fire hazard in vast numbers of institutions in Canada is so pronounced that steps to effect betterment must immediately be taken if serious future calamities are to be avoided, according to J. Grove Smith, Dominion Fire Commissioner.

"During the past ten years, 601 persons have been burned to death in public and institutional buildings in Canada and 871 others have been seriously injured. Throughout this period, the authorities responsible for the administration of institutional buildings have constantly been urged to action. Vague promises have been made but, with few exceptions, little has been done and the conclusion must be reached that the authorities are either too financially embarrassed or too personally indifferent to give the matter adequate consideration. The excuse invariably offered is that the majority of buildings are equipped with external iron ladder fire escapes in compliance with legal requirements and that this absolves the local administration from all responsibility. Experience demonstrates that such escapes are a menace rather than an aid to the exit of children and bed-ridden persons from burning buildings. Until government requirements provide for a more effective substitute, the hazard to life and limb in the event of fire will continue unabated.

Thousand Children Burned

"Still another factor affecting the loss of life by fire demands consideration. Of the thousand odd children burned to death in the past six years, four hundred and three perished during the absence of parents or other responsible persons from the homes. In many cases, small children were left alone with stoves, lamps and matches while parents absented themselves at places of amusement or in making prolonged visits to neighbors. Without being unduly severe, it should be said that fatalities under such circumstances merit public censure if no more serious condemnation.

"Owing to the present necessity for economy, there has been less consideration than usual given to fire protection by municipal authorities and large property owners. During the year 1930, new installations and changes and additions to water supply systems were undertaken by 105 municipalities and major fire appliances were purchased by 63 communities. In the field of private fire protection, 44 new automatic sprinkler systems were installed and extensions were made to some 37 existing systems. The current low cost of supplies and the desirability of providing employment makes it decidedly advantageous for large property owners to undertake the equipment of their buildings with sprinkler protection at the present time. Such systems pay for themselves in a very short time through reduction of insurance cost and the buildings so protected are practically immune to serious loss by fire.

Insurance Rate Lower

"Attention is again directed to the continued reduction of the average insurance rate as shown by the annual statements of the fire insurance companies licensed to do business in Canada. Since 1921 when the average cost of insurance was $1.11 per $100 of value insured, there has been a substantial reduction in each successive year. In 1930, notwithstanding the widespread business depression and lower values placed upon all forms of merchandise, the total insured value of property in Canada increased by more than $600,000,000, the average rate reached the low level of $0.79 per $100 insured, or a decrease of almost 30 per cent from the average rate current in 1921. The tremendous saving to property owners in Canada by this reduction of insurance cost has largely been effected through the activities of the various public fire prevention officials supplemented by the voluntary efforts of such organizations as the Dominion Fire Prevention Association. It is questionable if any other public service carried on within the Dominion has secured such concrete results with so limited an expenditure of funds."

Among other points brought out by the Fire Commissioner is the fact that, contrary to general opinion, poor business conditions do not necessarily result in an immediate increase in the fire loss. Where experience over a long period of years indicates a more or less identifiable relationship between fires and business failures, there is a distinct lag between the implied cause and its effect. During the year 1930, the number of cases of supposed incendiarism and the institution of criminal proceedings therein has been less than in any one of the past seven years, excepting only the year 1928.

ONTARIO SPENDING BIG SUM YEARLY TO SAVE FORESTS

(Continued from page 11)

13. The total cost of extinguishing this fire was $71,778. The cause is thought to be an old Indian. A considerable amount of very fine timber was killed which probably cannot be salvaged at the present time.

Keep Area Down

In spite of the high hazard at various times 38.2 per cent of the fires were confined to areas of less than five acres, 70.9 per cent to areas of 10 acres or less, and 86.8 per cent to areas of 100 acres or less. The number of fires reaching 1,000 acres and over represented 3.3 per cent, these including nine fires of over 10,000 acres.

Analysis of the areas burned over shows that 56 per cent was timber land, 20 per cent was barren and grass land, 14 per cent young growth (below six inches), and 10 per cent was cut-over land, upon which some timber had been left.

The Port Arthur district suffered the worst fire losses during the year, these having been especially heavy in May and June, that district having in those two months nearly 50 per cent of the year's total of burned-over acreage for the entire province, or nearly 436,000 acres.

In the western part of the province the fire fighting equipment on hand was not nearly sufficient to meet the needs, and it was necessary to augment the stock by purchases of new material. The most important addition to the equipment supply was 80 fire fighting units with 294,500 feet of hose. These units paid for themselves many times over in enabling control of some of the larger fires which otherwise would probably have burned unchecked until the autumn rains.

To accommodate the many fire fighting crews it was necessary to purchase additional tents and blankets. More canoes were also necessary for transportation, but the greater number of those purchased were for replacement.

High tribute is paid to the operations of the aircraft division which performed yeoman service, particularly in the transportation of men and supplies to and from fires in outlying areas. The great demand for flying for this purpose, especially in the month of June necessitated the purchase of a considerable number of flying hours from the commercial companies. To further meet the demand a new fast machine was added to the Provincial Service, this being capable of a speed of 120 miles per hour and of carrying a payload of 1,500 pounds. Two new bases were organized, one at Port Arthur, the other at Lake St. Joseph. A total of 4,506 flying hours were devoted to fire detection, this showing an increase of about 50 per cent on the previous year's total, while fire suppression absorbed 3,659 hours.

Some idea of the comprehensive manner in which Ontario is equipped to fight the forest fire hazard may be obtained by the following partial list of equipment now owned and operated by the Forestry Branch of the Department of Lands and Forests: 437 fire fighting units; 1,044,700 feet fire fighting hose; 1,775 portable hand pumps; 675 canoes; 85 small motor boats; 50 launches; 86 auto trucks; 41 railway motor cars; 115 velocipedes; 117 outboard motors and 132 pairs of binoculars. There are also 3,050 miles of permanent telephone lines; 117 wooden lookout towers; and 113 steel towers.

Sprinkler Installation

Will reduce insurance costs and give greater protection

Consult BENNETT and WRIGHT for Further Particulars

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Union Assurance Society Limited
OF LONDON, ENGLAND
Fire Insurance since A.D. 1714 ASSETS: $12,340,191
FIRE AND CASUALTY
Canada Branch—Montreal
H. F. RODEN, Deputy Manager. JOHN HOLROYDE, Manager.

The North West Fire Insurance Company
Incorporated A.D. 1880
HEAD OFFICE WINNIPEG
EASTERN BRANCH MONTREAL
H. F. RODEN, Deputy Manager. JOHN HOLROYDE, Manager.

The Canada Accident and Fire Assurance Company
HEAD OFFICE: MONTREAL
Incorporated 1887 Assets $1,729,642
FIRE AND ALL CASUALTY LINES
H. F. RODEN, Deputy Manager. JOHN HOLROYDE, Manager.

A Few Weeks Ago This Was a Valuable Warehouse

This picture was taken a few hours after flames had demolished ten valuable transport trucks, and thousands of dollars worth of groceries and foodstuffs at the sheds of the Walton Transport Co., Toronto. This is all that remained—a grim reminder of what fire can do to any plant if it gets a chance.

Public Spirit Can Reduce Huge Fire Protection Cost

Fire Equipment, Maintenance and Insurance Rates All Contribute to Enormous Annual Cost Borne by Citizens

By W. H. SHAPLEY, President, Dominion Fire Prevention Association

The matter of fire waste when considered in a financial way assumes large proportions. In the Dominion at the end of 1928 we had $250,000,000 invested in water supply systems; $99,000,000 of this is directly charged to fire protection. The maintenance chargeable to fire protection amounts to $12,000,000 per year.

Total value of municipal fire stations	$ 17,000,000
Total cost of equipment	15,000,000
Annual maintenance cost, including firemen's salaries	12,000,000
Value of property insured	18,000,000,000
Amount of insurance carried	11,000,000,000
Amount paid for insurance in 1929	64,700,000

From these figures, which do not include all the cost by any means, it will be seen that the fire waste question is one of the big things that every citizen of the Dominion should be seriously interested in, it is one that affects every citizen, none escape the tax that is levied. It is the aim of the Dominion Fire Prevention Association to arouse public spirited men to its importance. When we know that a large proportion of the fire waste can be prevented, it certainly behoves us to put forth the effort that is necessary to reduce it.

Maintain Fire Equipment

From the figures quoted, we also realize and I think we all agree that it is very necessary to keep the fire-fighting equipment up to the highest standard to extinguish fire. I do not think that there should be any question regarding the importance of prevention of fire.

Surely the old maxim, "Prevention is better than cure," or "An ounce of prevention is better than a pound of cure," applies in this connection.

While I have no information regarding the number of firemen killed or injured in connection with their work, every one knows of the splendid service being rendered by the noble army of firemen in all parts of the Dominion and one could hardly realize the condition that would exist if that service was discontinued, but we could readily understand what a difference it would make if the number of fires in a year could be reduced from 40,000 to 20,000, which I think is quite possible.

We have been fortunate during the last year as we have not experienced any very large fires, or what are called conflagrations. But every fire, no matter how small, has the possibility of becoming a big one if conditions are favorable.

In view of such facts as I have brought to your attention, what should be the attitude of every good citizen of this Dominion? We are complaining about our taxes and there appears to be a number of new taxes that may be placed on us which we cannot escape. None of them compares to the tax caused by the fire waste. Taxes levied by the government cannot be avoided, but taxes caused by fire waste can be materially reduced without doubt. They are doing it in other countries and there is not the slightest reason why it cannot be done here.

Need Help of Citizens

If we are going to improve the condition which now exists, we must have the help of public-spirited men in the different municipalities who will form themselves into fire prevention associations and endeavor to reduce the fire waste in their own district.

We feel sure that if this matter is brought to the attention of those men to be found in every part of this Dominion, we would get the cooperation necessary and it would not be long before Canada would take a place in fire prevention equal to any other country in the world.

This Dominion Association is ready to give assistance along that line and from several years experience we feel confident that this suggestion which has been advocated for several years at our annual meeting would have a beneficial effect.

Definite Plan Suggested For Industrial Check-Up

"Self Inspection" Blank for Factories Offers Good Basis for Inspections During Fire Prevention Week

Managers of mercantile and industrial establishments will derive many good pointers for a special check up of the fire hazards on their premises during Fire Prevention Week from the following "self-inspection" blank, issued by the National Board of Fire Underwriters of New York.

1. Are there any accumulations of dirt or rubbish on the premises? ....
2. Is the basement clean? ....
3. Are the packing and shipping rooms cleaned up thoroughly at closing time? ....
4. Is there any unnecessary combustible material in the yard or court? .....
5. Is there any oily waste or other greasy material outside of approved waste cans? ....
6. Are any waste cans not emptied daily after closing hours? ....
7. Are there any broken windows, plastering, partitions, flooring, or other similar defects? ....
8. Are any aisles obstructed? ....
9. Are any entrances obstructed? ....
10. Is any woodwork or other combustible material too near steam pipes, boilers, flues or furnaces? ....
11. Is the fuel supply safely stored? ....
12. Are there any open flame lights near combustible material? ....
13. Are there any broken electric fixtures or loosened wires? ....
14. Are electric cords looped over nails or in contact with any other metallic objects or surfaces? ....
15. Are any electric fuses replaced by wire or other improper current-carrying materials or devices? ....
16. Are fire doors or shutters ever left open at night, or on Sundays or holidays? ....
17. Are fire escapes obstructed, broken or out of order? ....
18. Are there any violations of rules on smoking? ....
19. Are all water pails, hose, nozzles and chemical extinguishers in place and in good condition? ....
20. Are any sprinkler heads coated or corroded? ....
21. Are any sprinklers obstructed by partitions, piles of goods, etc.? ....
22. Are any sprinklers or sprinkler pipes exposed to freezing? ....
23. How many sprinkler heads are kept in reserve? ....
24. Is there any part of the premises that the watchman fails to visit? ....
25. Are window openings protected from exposure fires? ....
26. Is combustible stock storage isolated by fire walls? ....
27. Where is the nearest fire alarm box? ....

TUBULAR ESCAPE NOW ADVOCATED FOR INSTITUTES

Superiority Over Outside Staircase Type is Claimed

MARSHALS APPROVE

Fire Marshals Point Out Many Advantages Where Children or Infirm Are Concerned

Tubular or ramp-type fire escapes for schools, hospitals and such like institutions came in for strong commendation at the annual meeting of the Dominion Fire Prevention Association when a resolution of the Association of Dominion Fire Marshals was presented in the following terms:

"Whereas the record of loss of life by fire in the Dominion of Canada shows an appalling number of fatalities in institutional and similar public buildings;

"And whereas investigation shows that, at the present time, a vast number of buildings used for the housing of children, the infirm and the aged are structurally inadequate and are now equipped with a means of exit of an inefficient type;

"We, the Association of Fire Marshals, do hereby recommend that every effort immediately be made by the fire marshals or other provincial authorities having jurisdiction, to have installed fire escapes of the enclosed tubular or ramp type on all the buildings used for the housing of children, the infirm and the aged, and that this resolution be referred to the Dominion Fire Prevention Association for endorsation by that body."

Heaton Endorses

That the tubular escape has many and just claims to precedence over other types for buildings where the hazard to life and limb is paramount was attested to by E. P. Heaton, Ontario Fire Marshal, who said:

"I am satisfied that we are beginning more than ever to realize that our first and primary duty is to human life, and we cannot get away from the fact that, in most places where infirm, old, decrepit, crippled men, women and children live, there is very little provision for a speedy exit. I am going to ask the resolutions committee of this association to give serious thought to the resolution that was passed and endorsed as an Association of Fire Marshals, and I hope you, as fire preventionists, endorse the simple, efficacious tubular or ramp fire escape. People are afraid, because they don't know so much about these things.

"But I do want to commend to the resolutions committee of this association that a definite pronouncement would be of tremendous service to those interested in what I conceive to be our very first fundamental, vital interest. Let us forget about dollars and cents for a time, and let us concentrate upon this one thing and see if we cannot infuse into our people, government, municipal, or private individuals, first, the necessity of adequate exits; secondly, that there is a means that is cheapest and, so far as we now know, the most efficacious; and, once we can distribute that, I am satisfied the task our inspectors have will be made a great deal easier."

System Described

The tubular fire escape is a straight tube—not to be confused with the spiral slide—constructed of 20-gauge copper bearing steel, galvanized on both sides. The opening to this fire escape is generally from a classroom in the case of schools, or the public ward in the case of hospitals.

With openings in class rooms and inter-communicating doors from one room to another, the children can go out through the escapes, and, having been drilled that way, they would hardly know whether it is fire or fire-drill until they are safely on the ground. That is one of the chief features about this escape. The other is that they are protected from fire and smoke and gases outside, and should there be any open windows where the flame or smoke is coming out, they are absolutely protected until they reach the ground.

Sometimes on a three-story building there are two openings, one from the third story and one from the second story. On the third story, a 30-inch tube is used, this increasing to a 36-inch tube on the second story. The escapes are hung from the side of the building in the case of schools 30 inches, and in the case of hospitals 48 inches from the walls. This allows for a good air space around so that there is not much danger of the tube ever getting too hot. The tubes are usually set at an angle of 30 degrees for schools and about 40 degrees for hospitals.

In Canada at the present time there are roughly 1,500 hospitals, 400 old folks' homes, 2,600 religious institutions of a residential nature, and about 3,600 two or more story schoolhouses, and it is significant that while 96 buildings equipped with tubular fire escapes in the United States have burned, this type of escape has the fine record of never having lost a life.

An Ardent Advocate

Fire Marshal McLellan, of New Brunswick, speaks of this type of escape in the following terms:

"I happened to visit the State of Illinois some years ago, and, while there, the fire marshal invited me to inspect this new type of fire escape. So pleased was I with its performance that I returned to my province and became an ardent advocate for the new 100 per cent safe fire escape. We did not wait in our province until some Canadian manufacturer built it, but, prior to that time, had had two of our hospitals equipped with this tubular type of escape. They are giving every satisfaction and we are seeking, at the present time, to so amend our provincial law that the reference to iron ladder escapes will be eliminated and that fire escapes efficient for the purpose and meeting with the approval of the fire marshal's department shall be installed."

PREVENTION WORK WILL REFLECT IN INSURANCE RATES

(Continued from page 11)

otherwise, to follow up the recommendations made with the view to having effect given thereto. The greatest obstacle to advance in this direction will be no doubt that the changes mean expenditures of money and municipal officers faced with the necessity of imposing increased taxes and the opposition produced thereby, in the minds of the electorate, are naturally reluctant to venture into new fields of expenditure not urgently demanded.

Rate Reductions

"There is no doubt that the argument most likely, at the present time, to be effective in favor of improved protection is that the citizens will enjoy, as a result thereof, a lower rate of insurance. If this argument is ineffective, we must face the probability that other arguments founded on broader principles of economics and citizenship and free from all suspicion of self-interest will fall upon deaf ears. There is, however, no reason why every effort which the good judgment of this association can suggest should not be made to a better appreciation by the municipalities of the importance of fire prevention work. The fire chiefs in many cities are already doing all they can to arouse attention to the conditions prevailing and, to throw the weight of this association behind the efforts already being made, the chance of necessary action will be at least increased.

"Speaking for the department charged with the execution of the policies of the association, we will continue to carry out, to the best of our ability, the work which is undertaken from time to time and to lay before you such suggestions that, from time to time, occur to you for the broadening of the uses of the association at all times, having regard to the financial resources at our disposal, and to the work being carried on by other organizations with kindred objects. If there is one thing more necessary to do than another, it is the elimination of duplication of effort, involving the expenditure of money which can be provided only from taxation in one form or another."

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Canada's Forest Fire Loss Record for 1930 Above 5-yr. Average

Total Area Burned Over Was 2,667,545 Acres

BILL OF $7,977,435

Monetary Loss for Burned Merchantable Timber Alone Amounted to $4,607,430

In Canada, as a whole, the loss from forest fires in 1930 was below the average of the last ten years, but above the average of the last five. British Columbia experienced a very bad fire season, but the weather throughout the prairie and eastern provinces having been more favorable, especially during the more critical periods in the spring and fall. Improved fire protective organization and increasing public support in fire prevention are evidenced during recent years in the decreasing proportion of preventable fires and in the reduction of the resultant damage.

Nevertheless, the reports indicate that in 1930, 2,667,000 acres were burned over, including 746,000 acres of merchantable timber, 1,003,000 acres of young growth or cut-over land and 918,000 acres of non-forested land.

Staggering Figures

The total loss of merchantable timber is estimated to amount to 389,000,000 cubic feet consisting of 542,000,000 feet board measure of saw material and 2,300,000 cords of pulpwood, cordwood and other wood. The monetary loss is placed at $4,607,000 for timber, 1,727,000 for young growth and $507,000 for other property, a total of $6,841,000. The cost of actual fire fighting exclusive of patrol and other preventive measures was $1,136,000 making the total charge against forest fires $7,977,000.

The average annual cut of standing timber now amounts to about 2,800 million cubic feet, or the equivalent of about 24 million cords. The loss from insects and decay, though very difficult to estimate, is expected to bring the total annual depletion to 4,000 million cubic feet.

It is estimated that under present conditions about 3,800 square miles is cut-over and 3,500 square miles burned over annually. If it were necessary to reforest this area artificially, it would involve the planting of over 7 billion seedlings, but fortunately natural reproduction of some kind is usually secured except in the case of repeated fires Frequently, however, the character of the forest is altered by cutting and to greater extent by fire and the more valuable species are replaced by poplar, white birch or other less desirable trees. In the forests which are being operated, the reproduction can be controlled by following silvicultural methods, such as leaving seed trees, protecting advanced growth and removing the less valuable species but no rule-of-thumb method is applicable to the various conditions found in Canadian forests and intensive research over a long period of years is required to determine the most efficient and at the same time the most practicable measures to ensure the reproduction of the kinds of timber required to perpetuate the forest industries.

During recent years, over $500,000,000 has been added annually to the wealth of Canada by the woods operations and the manufacture of lumber, pulp, paper and other products of which wood is the primary raw material. A large proportion of this wealth is distributed among the 200,000 Canadians employed in the conversion of the standing timber into commercial products and most of the balance is used for the purchase of equipment and supplies from other Canadian industries.

During the last five years, the value of exports of forest products, (exclusive of books and printed matter) has averaged $278,482,721 and the value of the imports $37,628,282, providing a favorable trade balance of $240,854,439 of which $199,152,558 occurred in our trade with the United States where, in spite of this large surplus in forest products, there was an average adverse balance of trade in all products of $261,640,647. Even during 1930, when there has been a general shrinkage in values, the exports of forest products were valued at $248,403,852 and the balance of trade was $215,257,800.

Enormous Wastage Of Canada's Timber

Canada sustained 6,721 forest fires in 1930, these burning over an area of 2,667,545 acres entailing a total loss of nearly $8,000,000. The value of merchantable timber burned alone amounted to $4,607,430. Details of these and other losses are as follows:

Merchantable timber:	
Area burned (acres) .	746,127
Timber burned (cords)	2,307,859
Esti. stumpage value ..	$4,607,430
Young growth:	
Area burned (acres) .	575,814
Estimated value	$1,451,798
Cut-over:	
Area burned (acres) .	427,230
Estimated value ......$	275,523
Non-forested:	
Area burned (acres) .	918,374
Other property burned:	
Value ....$	506,777
Cost of fire-fighting	$1,135,907
Total number of fires ..	6,721
Total area burned over (acres)	2,667,545
Total gross damage & loss	$7,977,435

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Large Canadian Towns Have Best Fire Record

Loss in Villages Up to 1,000 Population, However, Was Higher, Per Capita Rate Being $5.47 as Against $4.70 Average

Analysis of fire losses by municipal groups is particularly remarkable in one respect, this being that the highest loss per capita is recorded in villages of under 1,000 population, these being responsible for over 21 per cent of the total losses in the Dominion. Rural districts showed a higher actual total of losses in dollars—these representing about 32 per cent of the Dominion total—but the per capita rate, owing to the larger population, proportionately, was $5.13, as against $5.47 for villages under 1,000 population.

Summary of losses classified by municipal groups is as follows:

MUNICIPAL GROUP CLASSIFICATION, 1929-1930

	1929 Total Loss	1929 Per Capita	1930 Total Loss	1930 Per Capita
Cities over 10,000 pop.	$15,212,790	$3.61	$14,643,570	$3.43
Towns 5,000 to 10,000 pop.	2,159,713	5.38	1,963,095	3.92
Towns 1,000 to 5,000 pop.	4,646,041	5.19	3,891,724	5.13
Villages under 1,000 pop.	8,327,998	5.24	9,877,062	5.47
Rural districts	16,895,730	6.01	15,734,424	5.13
Not classified	256,974	...	....	...
Total	$47,499,746	$4.85	$46,109,875	$4.70

The following table shows fire losses for the year 1930 in the larger cities and towns in Canada. Figures were gathered from the municipal officials in the form of monthly returns and must be regarded as estimates only.

FIRE LOSSES IN MUNICIPALITIES WHERE POPULATION EXCEEDS 10,000

Municipality	Population 1930	Total property loss 1930	Loss per capita 1930	Loss per capita 1929	Loss per capita 1928
Ontario—					
Belleville	13,914	31,944	2.30	9.29	0.61
Brantford	30,200	205,891	6.82	1.37	3.58
Chatham	15,000	76,520	5.10	17.46	2.20
Cornwall	10,804	9,014	0.83	1.16	0.73
East Windsor	16,081	16,755	1.04	0.95	0.65
Fort William	25,000	849,080	33.96	1.64	20.15
Galt	13,732	35,886	2.61	0.42	0.45
Guelph	21,201	32,167	1.52	0.96	9.05
Hamilton	153,000	586,803	3.84	3.86	1.69
Kingston	21,700	138,989	6.41	11.72	0.69
Kitchener	31,000	111,576	3.60	0.67	0.14
London	71,310	162,790	2.28	2.47	1.34
Niagara Falls	19,000	19,252	1.01	2.02	0.60
North Bay	16,553	80,897	4.89	4.85	14.57
Oshawa	23,687	69,917	2.95	1.55	4.80
Ottawa	165,000	610,466	3.70	3.18	2.53
Owen Sound	12,300	18,629	1.43	3.92	1.06
Peterboro	22,798	20,882	0.92	3.32	2.78
Port Arthur	19,430	397,584	20.46	1.81	4.10
St. Catharines	26,000	9,938	0.38	0.95	0.63
St. Thomas	18,000	25,141	1.40	2.48	0.48
Sandwich	11,400	13,560	1.19	13.42	5.19
Sarnia	19,000	51,409	2.71	1.70	5.63
Sault Ste. Marie	23,079	191,405	8.29	6.82	6.19
Stratford	18,700	2,552	0.14	1.20	1.04
Sudbury	22,000	46,710	2.12	2.64	3.14
Timmins	13,300	14,660	1.10	3.74	0.84
Toronto	606,300	1,283,169	2.12	2.06	2.63
Walkerville	11,000	140,280	12.75	0.64	0.20
Welland	10,338	33,774	3.27	2.85	1.50
Windsor	68,079	74,748	1.10	0.68	0.86
Woodstock	10,000	6,321	0.63	38.98	0.09
Quebec—					
Chicoutimi	14,500	77,960	5.38	7.85	7.11
Granby	10,000	4,725	0.47	0.07	0.16
Hull	27,886	48,489	1.74	0.82	4.62
Joliette	11,000	24,415	2.22	5.05	3.88
Jonquière	9,800	53,022	5.41	1.04	2.84
Lachine	19,026	67,281	3.54	2.72	...
Lévis	11,808	59,411	5.03	1.35	1.09
Montreal	1,098,409	3,778,823	3.44	3.39	2.56
Outremont	27,000	36,205	1.34	1.61	3.61
Québec	140,000	438,713	3.13	4.49	1.19
St. Hyacinthe	14,000	6,925	0.49	2.06	0.88
St. Jean	12,000	21,730	1.81	0.58	5.84
Shawinigan Falls	15,000	37,527	2.50	0.66	7.40
Sherbrooke	28,957	34,290	1.18	0.58	0.75
Thetford Mines	10,700	6,469	0.60	1.59	4.90
Three Rivers	39,000	110,611	2.84	2.78	1.08
Valleyfield	10,859	174,954	16.11	1.32	0.45
Verdun	55,000	49,205	0.89	0.70	1.18
Westmount	25,000	78,718	3.15	3.19	5.78
Manitoba—					
Brandon	18,000	14,140	0.79	5.14	0.42
St. Boniface	16,500	102,467	6.21	7.94	5.02
Winnipeg	212,815	679,957	3.20	3.63	3.90
Saskatchewan—					
Moose Jaw	23,000	142,695	6.20	6.23	2.61
Prince Albert	10,000	42,821	4.28	1.41	1.40
Regina	62,000	232,235	3.75	3.35	2.33
Saskatoon	45,000	89,465	1.99	5.52	4.44
Alberta—					
Calgary	106,000	242,791	2.29	3.68	9.02
Edmonton	77,557	206,962	2.67	6.71	12.24
Lethbridge	14,000	17,488	1.25	4.43	0.26
Medicine Hat	11,000	4,719	0.43	8.51	13.16
British Columbia—					
New Westminster	20,000	10,981	0.55	34.67	0.42
North Vancouver	10,000	7,522	0.75	10.57	1.70
Vancouver	252,000	1,643,810	6.52	3.03	4.07
Victoria	48,000	26,798	0.56	0.84	0.51
Nova Scotia—					
Glace Bay	18,000	19,102	1.06	2.58	1.49
Halifax	70,000	266,096	3.80	2.72	4.29
Sydney	25,000	47,410	1.89	3.14	3.81
New Brunswick—					
Moncton	21,000	72,118	3.43	5.42	2.08
St. John	55,000	263,430	4.79	6.52	4.43
Prince Edward Island—					
Charlottetown	14,000	33,381	2.38	6.44	11.73

FIRE LOSSES IN MUNICIPALITIES WITH POPULATION OF 5,000 TO 10,000

Municipality	Population 1930	Total property loss 1930	Loss per capita 1930	Loss per capita 1929	Loss per capita 1928
Ontario—					
Barrie	7,400	9,120	1.23	3.42	1.10
Brampton	5,240	3,000	0.57	...	...
Brockville	9,463	31,566	3.23	12.61	3.81
Cobourg	5,400	18,387	3.41	0.18	4.28
Collingwood	6,500	20,498	3.22	1.47	3.12
Dundas	5,000	1,926	2.39	2.97	2.19
Eastview	6,200	11,431	1.84	2.34	0.97
Fort Frances	5,500	60,162	10.94	6.48	0.63
Hawkesbury	5,060	2,675	0.53	6.80	28.95
Ingersoll	5,000	2,345	0.47	1.84	1.21
Kenora	8,000	23,789	2.97	1.59	7.31
Kirkland Lake	7,500	6,830	0.91	2.21	4.96
Leamington	5,500	6,366	1.16	...	1.70
Lindsay	7,200	2,455	0.34	0.64	0.62
Midland	8,000	61,782	7.72	3.55	5.33
Orillia	8,000	25,358	3.17	2.19	12.45
Pembroke	9,600	5,421	0.56	1.93	2.25
Port Colborne	6,500	24,093	3.71	3.17	1.55
Preston	6,000	3,174	0.53	0.74	1.33
Renfrew	5,300	6,917	1.31	0.79	1.82
Simcoe	5,050	6,332	1.25	0.02	1.49
Smiths Falls	8,000	Nil	Nil	...	0.41
Sturgeon Falls	4,330	3,116	0.72	4.85	3.61
Thorold	6,000	23,955	3.99	0.76	1.62
Trenton	6,000	77,634	12.94	13.14	1.79
Wallaceburg	5,000	50,871	10.17	4.79	10.39
Waterloo	8,600	285,857	33.24	0.03	5.20
Quebec—					
Cap de la Madeleine	9,323	10,314	1.11	2.28	0.90
Drummondville	7,000	11,383	1.63	2.30	1.53
Grand'Mère	7,400	13,101	1.77	0.90	4.72
La Tuque	7,750	10,050	1.30	1.14	1.80
Lauzon	6,657	1,768	0.27	1.44	1.01
Longueuil	6,000	2,500	0.42	0.58	1.50
Magog	6,000	2,450	0.41	0.50	5.17
Rimouski	5,105	845	0.17	Nil	Nil
Rivière du Loup	8,500	60,957	7.17	3.39	0.49
St. Jérôme	9,273	11,731	1.27	1.37	3.58
St. Lambert	6,000	1,295	0.22	0.09	3.15
St. Laurent	5,600	20,565	3.67	1.00	0.58
Sorel	9,500	3,710	0.39	10.47	1.77
Victoriaville	5,718	1,000	0.17	19.17	0.01
Manitoba—					
Portage La Prairie	6,700	44,040	6.57	12.10	1.21
Selkirk	5,000	29,000	5.80	0.70	3.31
Saskatchewan—					
North Battleford	5,500	465	0.08	3.06	3.42
Swift Current	6,000	23,353	3.89	1.97	1.38
Weyburn	5,000	16,556	3.31	33.48	1.20
Yorkton	6,000	13,583	2.26	2.22	0.41
British Columbia—					
Kamloops	6,000	10,414	1.74	...	...
Nanaimo	9,000	124,135	13.79	1.89	0.40
Nelson	9,000	7,082	0.79	1.97	1.89
Prince Rupert	7,000	34,001	4.86	0.48	0.88
Trail	8,000	6,526	0.82	1.15	4.75
Nova Scotia—					
Amherst	8,000	6,303	0.79	2.57	12.02
New Glasgow	8,000	20,743	2.59	12.47	3.50
New Waterford	7,000	3,454	0.49	1.45	0.30
North Sydney	6,000	32,905	5.48	8.99	1.66
Springhill	7,000	60,250	8.61	1.06	2.37
Stellarton	6,000	82,408	13.73	.95	1.13
Sydney Mines	7,500	1,307	0.17	1.91	0.28
Truro	8,000	35,059	4.38	1.28	2.69
Yarmouth	7,000	3,060	0.44	2.95	4.48
New Brunswick—					
Campbellton	6,500	23,145	3.56	10.96	0.74
Edmundston	7,000	49,772	7.11	7.43	0.85
Fredericton	9,000	98,346	10.93	45.20	12.99

CHINA AND JAPAN TRADE FELL BADLY IN PAST 2 YEARS

Though Canada's Exports Have Had Big Rise in Last Decade

While the outlook for the future of Canadian trade with China and Japan is affected in a large degree by conditions in these two great Asiatic powers, it depends primarily upon Canadian enterprise. That this has not been lacking is shown by an exceedingly rapid increase in our exports during the past decade, evidence of which is contained in a report just published by the Department of Trade and Commerce of the Dominion Bureau of Statistics.

Canada's relations with these two Eastern powers had their beginning far back in the past. It was the search for a shorter route to China that first attracted the discoverer to the western coast of Canada, almost immediately following which there sprang up the trade in sea-otter, of which Canton was the great market in the 17 century. Today Canada has the nearest ports of the continent facing upon China and Japan forming the basis of undoubted potentialities for the future.

Our imports from these two countries have not yet reached any considerable dimensions, those from Japan now totalling a little over 9 million dollars, showing even a slight decrease since the immediately post-war years. From China Canadian imports have increased but are still small, being at present but one-half those from Japan.

Exports Gain Rapidly

Exports to Japan, on the other hand, have increased from between six and seven million dollars to 42 million dollars in the past nine years, and to China from 6½ million dollars in 1920 to over 24 million in 1929. In 1930 and 1931 a material decline was recorded in exports to both countries, those to Japan decreasing by 23 millions and to China by 17 millions.

While Canada still only does a very small fraction of the trade of North America with the Orient, yet relatively our recent progress has been much more rapid than that of the United States. Ten years ago, United States trade with China was 50 times that of Canada, but today it is probably not more than 20 times, while with Japan, United States trade, which in 1919-1920 was about 23 times that of Canada, is now approximately 12 times. As a matter of fact United States trade with the Orient was considerably greater in 1920 than in 1930, though price declines enter into a comparison of this kind. Chinese imports are chiefly cereals and foodstuffs, cotton goods, sugar, oils, metals and tobacco, received chiefly from Japan, the United States, and the British Empire through Hong Kong. Exports are chiefly silk and silk materials returned to the same countries.

China Agricultural

"China, says the report, is one of the richest countries of the world in natural resources, being the world's largest producer of rice, soy beans, tea and tung oil, and being exceeded only by Japan in the production of raw silk. In minerals, also, she is very rich. Four-fifths of the population, however, remain agricultural, and under these conditions a country of her size and wealth will undoubtedly for some time remain one of the world's great markets for an increasing supply of miscellaneous foreign goods. In attempting to define these potentialities with accuracy, we are met with an almost total lack of official statistics, which renders the economic situation in China a perennial enigma to the outsider. Even of trade, in which field perhaps the best statistics exist, measurements are uncertain; on the whole, a steady advance is shown.

"The recent economic history of Japan has two outstanding features, the first being a remarkable expansion in industry and in the technical equipment of industry, manifesting itself in increased manufactures of textiles, flour, sugar, cement and chemicals, all largely dependent on imported raw materials. Japan, unlike China, is comparatively poor in natural resources, having but few minerals and only a limited agriculture. The industrial expansion, which rivalled in extent even the phenomenal years following the adoption by Japan of western industrial methods in 1868, had its origin during the war. The second feature is the series of crises, reflecting a financial scheme unequal to the burdens laid upon it by the rapid transition to industry, which began in 1920 and culminated in an almost complete breakdown and moratorium in 1927, when 36 banks closed their doors, and widespread economic stagnation followed.

"The latter has now been brought under control by improved banking and credit machinery and by increased industrial organization, which has curbed the over-production and excess capacity that preceded the crash. and which aims at ultimate Japanese independence of foreign manufacture. There has been in addition a decline in the 'unfavorable' balance of trade, which since 1919 marked the change of Japan from a creditor to a debtor nation and the withdrawal of her considerable specie holdings abroad. Post-war prices have not fallen so rapidly as in Europe and America. Roughly, Japan's imports consist of 55 per cent raw materials, 15 per cent foodstuffs, and the rest manufactures. Recent tendencies are in the direction of an increase in the first of these categories(cotton, wool, iron and wood). Her principal exports are silks and silk tissues, cotton yarns and textiles, also some pottery and toys. The United States, China and British India head the list of countries trading with Japan.

Canada's Trade with Asia

	1914 $	1922 $	1931 $
Canadian Imports			
Brit. India	5,006,309	5,279,857	8,426,716
China	913,262	1,410,552	4,810,814
Japan	2,604,216	8,192,238	9,342,967
Asia	12,845,599	21,733,116	27,734,424
Canadian Exports			
Brit. India	416,878	1,637,145	6,957,050
China	473,074	1,900,627	9,122,190
Japan	1,587,467	14,831,520	18,958,965
Asia	4,725,081	21,740,773	39,430,687

GRAIN EXHIBITION POSTPONED TILL '33

Unfavorable World Conditions Cause Action to be Taken

From Our Own Correspondent

REGINA.—The World's Grain Show, planned to be held in Regina in 1932, has been postponed for one year. After weeks of uncertainty as to the future of the project, and repeated conference between those connected with the show and the Dominion Government, this decision was reached by the directors of the Regina Agricultural and Industrial Exhibition Association, sponsors of the show, and was concurred in by the Hon. Robert Weir, Dominion Minister of Agriculture. By resolution the directors record their considered opinion "that in view of unfavorable world conditions which have developed since the original dates were fixed that the World's Grain Exhibition and Conference should be held in 1933 instead of 1932."

Since the project had first been got under way a good deal of progress had been made. A building to house the show was erected through the combined efforts of the City of Regina and the Dominion Government. Communication with governments throughout the world had led to the expectation that twenty-two countries would be represented, and through the Dominion Government an invitation had been extended to the Prince of Wales to open the show. Strenuous opposition to abandoning or postponing the show made itself felt as soon as general conditions caused to be questioned the wisdom of proceeding with it. It was contended for a time that postponement would be impracticable, because of a tendency to waning interest, because Saskatchewan might be accused of dodging world competition on account of her poor crop this year, and of being desirous of waiting for a more favorable season, and because of conflict with other exhibitions which had been planned for 1933.

It had been generally believed that the Minister of Agriculture was not very heartily in favor of the show on general grounds, and that he would have preferred to see a comparable expenditure of money and effort put into projects connected with developing the livestock industry.

More Autos Cross from Quebec to States, 1930-31

A check-up of tourist traffic crossing the international border from the province of Quebec to the states of Vermont and New Hampshire during the twelve months ending June 30, shows a substantial increase in the number of automobiles passing south compared with the previous year. The number of cars crossing from Quebec during the year was 599,568, which represents an increase of over 100,000 when compared with the preceding period and 155,000 more than in the twelve months ended June 30, 1929.

Of the 599,568 cars crossing into the U.S., 164,809 bore Canadian license plates. The busiest point of entrance, according to U.S. customs figures, was at Derby Lane, Vermont, directly across from Rock Island, Quebec, through which 146,393 autos passed. At Swanton, Vt., opposite Philipsburg, P.Q., 132,170 cars were passed. Other busy points on the Quebec side along the international border were Stanhope, 61,628 cars; Highwater, 51,514; Abercorn and East Pinnacle, 47,609; Clarenceville, 23,131; Comins Mills, 20,935; Frelighsburg, 17,494; and Glen Sutton, 15,540 cars.

Enterprise Foundry is Active

The Enterprise Foundry Company Limited, with headquarters at Sackville, N.B., has made several shipments of electric ranges to Durban, Natal and Salisbury, Rhodesia, recently—thus opening up a market in South Africa for another Maritime product.

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CHURCH FIRES IN TEN YEARS NUMBER SIXTY

Heating Plants Proved the Most Common Cause

LOSSES $5,000,000

Three Fires Aggregate Loss of $1,150,000—In Fourteen Others Loss Exceeded $100,000

Three large loss church fires occurring in Ottawa and Montreal between the last of December and the middle of February have again called attention to the fire record of churches in general and more particularly those of the provinces of Ontario and Quebec. The three recent fires are those occurring in the St. Joseph's Catholic Church at Ottawa, which, valued at $450,000 was totally destroyed, the St. Denis Church at Montreal, which, valued at $300,000, was practically a total loss, and the St. Jean Baptiste Church at Ottawa, where the damage to the church itself was estimated at $250,000, and to the convent adjoining, $150,000.

The files of the department of fire record of the National Fire Protection Association contain reports on 60 fires which have occurred in churches in the provinces of Ontario and Quebec during the period from January 1, 1920, to April 1, 1931.

The record is by no means complete and does not include many of the small fires which have occured from day to day in church properties. The reports from insurance inspection organizations, which are the principal source of data on fires in industrial properties, are found in comparatively small number in the church fire record classification. Many of the reports are based on newspaper accounts which have been verified by local N. F. P. A. members.

In view of the character of the original data, which include the larger and more important fires, but not a fair proportion of the smaller fires, this record may not be completely representative. It is, however, significant in that the fires here recorded for a period of ten years represent an aggregate loss more than five million dollars.

Heating Plants Common Cause

The causes of these church fires are shown in the following table. It is interesting to note that the number of different causes are relatively few, indicating that if attention is given to these items a large number of church fires may be prevented.

Causes of Ontario and Quebec Church Fires

Cause	No. Fires
Overheated furnace or pipes	8
Defective wiring	6
Defective wiring—organ	2
Candles	5
Exposure	3
Forest fire	2
Incendiary	2
Other known causes	4
Total known causes	32
Unknown causes	28
	60

It is not surprising that the fires due to the heating plant in churches should be frequent, because of the conditions under which they are used. An adequate heating plant is not always provided, necessitating forcing the plant on extremely cold days, which frequently causes overheating and results in fire.

"Defective wiring," as a fire cause is always open to question. In one or two fires in this record in which this cause was assigned there is some doubt as to whether or not that was the actual cause. Fires starting in the electric wiring of organs are, however, better authenticated.

Other causes listed in the table are self-explanatory. From a study of the facts surrounding some of the fires attributed to unknown causes it seems fairly certain that some of these were due to heating plants, while others may rightly have been due to inferior wiring.

Amount of Loss

The amount of loss in the church fires contained in this record is given in the following table.

Analysis of Loss

	No. Fires
Over $100,000	17
$10,000—$100,000	34
$5,000—$10,000	7
Less than $5,000	1
Large loss, no exact data	1
	60

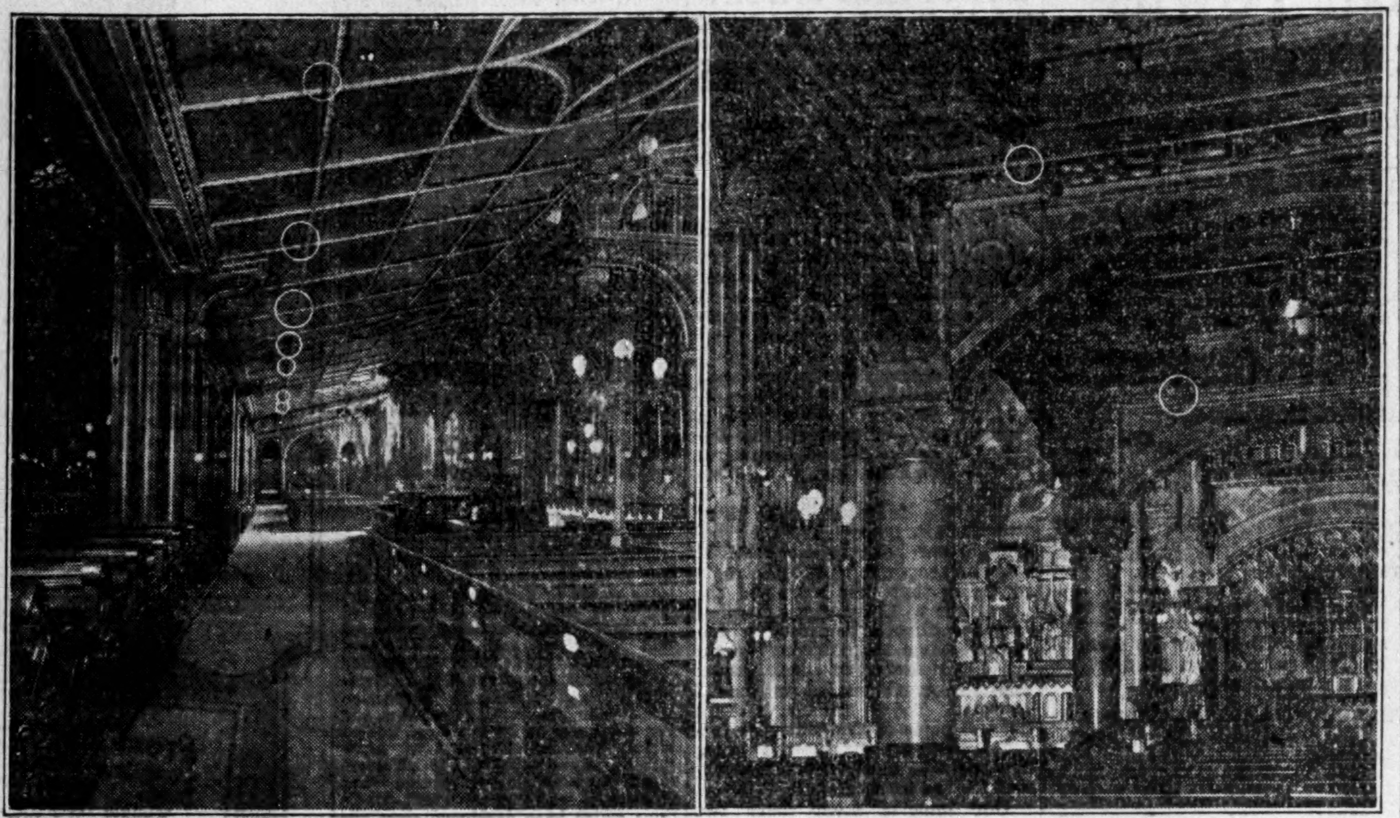
These large losses were for the most part due to the construction of the buildings involved, which were usually of large area with an opportunity for the fire to get into the roof space or open loft above the auditorium, which is practically inaccessible to the fire department.

Sprinkler Protection

A forward step providing for adequate private protection has recently been taken in Quebec by those in charge of several large church properties. This is the application of automatic sprinkler protection to this class of buildings. Automatic sprinkler protection for any type of occupancy is the surest safeguard for life and property and its application to churches is a progressive step.

La Presse, a Montreal newspaper, has recently featured the sprinkler installation at the Notre Dame Church in Montreal and the Quebec Safety League has sponsored talks to members of the clergy of the various parishes, bringing to their attention the necessity for adequate protection against fire in churches, convents, colleges and institutions throughout the province. Three important churches of the City of Montreal, namely, Notre Dame, Maisonneuve and Viauville, are now equipped with sprinklers, vastly increasing their safety from fire.

Notre Dame Goes Modern to Prevent Fire Loss



Interior views of the famous Notre Dame church at Montreal which has recently been modernized by the installation of an up-to-date automatic sprinkler system. There are no less than 4,000 sprinkler heads in all parts of the building, yet so carefully has the system been planned and installed that scarcely any of them are visible to the naked eye.

In the above photographs, showing the interior of the church, the sprinkler heads have been outlined with a small white circle.

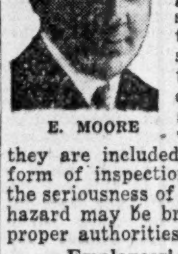
What the C.P.R. is Doing To Eliminate Fire Demon

Work of the Special Fire Inspection Branch and Preventive Measures Cover Whole System

By E. MOORE,
Canadian Pacific Rly. Co. Insurance Commissioner.

Canadian Pacific Railway Co. has always given serious attention to fire prevention and protection throughout its entire system and, by keeping the subject constantly before all branches of the service, is not allowing the interest in this important work to lessen.

The company under its insurance commissioner, has a fire inspection branch composed of men experienced in the fire prevention and insurance fields. Their duties are to inspect all properties periodically, analyse the conditions, and discuss the relative fire hazards and their elimination, with officers and employees on the ground. Minor suggestions, or those calling for small expenditures, usually receive immediate attention, but notwithstanding this, they are included in the standard form of inspection report, so that the seriousness of even the smallest hazard may be brought before the proper authorities in writing.



E. MOORE

Employees' Instruction

Of primary importance after the installation of fire protection facilities, is the instructing of employees regarding the use, handling and maintenance of this equipment. Realizing this, the railway maintains organized fire brigades at their important terminals and hotel premises, as well as fire alarm systems and the caryring out of fire drills and local inspections. All this helps to keep up the interest and co-operation among employees, and this perhaps constitutes the most important phase of fire protection and fire hazard elimination. In their spare time, the firemen do not remain idle, as one might suspect, but are employed in daily inspection of the premises, during which they give careful attention to fire appliances and "house-keeping" conditions. They also repair and keep in good condition much of the fire fighting appliances throughout the shop premises, carry out tests, etc. A large voluntary, trained brigade, consisting of employees from the various shops, is also available if and when required.

Track Patrols

The railway employs fire rangers in the mountains and other wooded sections, who cooperate with the Government Forestry Branch in the important work of saving the timber resources of the country. During the hazardous fire seasons, fire patrols cover the right-of-way adjacent to wooded and certain other sections. These patrols usually travel by track motor car, enabling them to cover large territories, and are equipped with serviceable appliances to permit immediate action in extinguishing in their incipiency such fires that are discovered. Tank-car units varying in size, but usually 7,500 or 8,000 gallons capacity, are also provided by the railway to transport water into wooded sections where fire has originated. Each car is equipped with several thousand feet of standard fire hose which may be directly connected to a pump forming part of the unit. It has been found that this type of protection is invaluable for fighting bush fires, and through its use much timber has been saved from destruction. Unless one is familiar with the ravages of forest fires, and is informed as to the tremendous material waste and monetary loss to the country each year, he perhaps cannot appreciate what all of these services mean. If we would pause to study the annual fire loss record to determine the actual waste to our timber resources, which is really appalling, it would be appreciated that the service of preventing forest fires is one of the most important national objectives at the present time.

Fire-proof Construction

The necessity for fire-resistive construction is fully appreciated by the railway; consequently the old "frame" building of large dimensions is gradually becoming a relic. All new buildings, warranted by the occupancy and local conditions, are being built of the most modern of fire-resistive materials, designed to meet rigid requirements, and provided with modern fire fighting facilities to cope with any outbreak of fire that may occur.

To those familiar with railway operation, it might be interesting to learn of a feature recently introduced into Canada, at one of this railway's important terminals. This is known as the "direct steaming system" for locomotives. While this installation is primarily an economic unit, it is well adapted to further the work of fire prevention, as it eliminates the necessity of kindling and maintaining fires in locomotives while they are inside enginehouses.

A co-operative feature of special benefit to towns having no public fire protection, is the private fire fighting facilities provided on nearby railway property, which are available in emergency to adjacent premises. Numerous towns in isolated locations have been assisted in keeping down their fire losses, and perhaps preventing total destruction, by the use of the railway's facilities, especially at terminals where the railway has installed fire hydrant systems and maintain pumping service for boosting water pressure.

Co-operative Spirit

It should not be overlooked that the railway's fire protection facilities provided at these isolated towns also has an important bearing in reducing the insurance rate, which would otherwise be substantially higher.

During fire prevention week, the railway supports the excellent movement of the government, newspapers and industries, by having a message from its Vice-president telegraphed to every point of the system in Canada and the United States, calling upon all officers and employees to co-operate by setting a good example in the prevention of fires and removal of their causes. In addition, a letter is sent to heads of departments, reminding them of the duty they are expected to perform in keeping before their officers and employees the important matter of fire prevention and good housekeeping.

"Prevent fires by removing causes" is a thought always to be kept in mind and continually practised.

Canada Suffers As Compared With Britain

Comparison of fire losses in Great Britain, Canada and the United States during 1930 as published by the National Association of Fire Prevention reveals the amazing fact that the total losses in Great Britain and Ireland, approximately $51,000,000, only exceeded those of Canada by $5,000,000 for the year. Canadian losses as compared with those of the United States were about one-tenth.

When reduced to the loss per capita the figures are greatly in Great Britain's favor, $1.27 comparing with Canada's $4.70 and the United States $4.07.

Losses over the past ten years are compared in the following table, reproduced from the N. F. P. A. Quarterly, the figures for Great Britain being based on figures taken from the London Times, and from Fire, the official journal of the British Professional Fire Brigades Association.

Great Britain and Ireland

	Total Loss	Per Capita
1921	$45,200,000	$1.02
1922	46,100,000	1.04
1923	63,250,000	1.43
1924	43,400,000	.97
1925	43,800,000	.99
1926	42,410,000	.96
1927	38,361,000	.87
1928	51,654,000	1.17
1929	75,901,000	1.72
1930	51,125,428	1.27

Canada

	Total Loss	Per Capita
1921	$45,016,000	$5.22
1922	54,391,000	6.11
1923	48,282,000	5.36
1924	45,907,000	4.99
1925	40,730,000	4.35
1926	38,295,000	4.15
1927	32,254,000	3.29
1928	36,402,000	3.79
1929	47,499,700	4.83
1930	46,109,900	4.70

United States

	Total Loss	Per Capita
1921	$495,406,000	$4.56
1922	506,541,000	4.62
1923	535,373,000	4.84
1924	549,062,000	4.90
1925	559,419,000	4.85
1926	561,980,000	4.80
1927	472,933,000	3.96
1928	464,607,000	3.87
1929	459,446,000	3.81
1930	499,739,000	4.07

Quebec Sets Example In Church Protection

Business Men on Canadian Church Committees Would Do Well to Investigate Need for Protection in Own Charges

Effective preservation of Canada's church properties against the ever-present fire demon is a matter that should receive the special attention of every Canadian who is a member of a church committee during Fire Prevention Week and the equipping of Notre Dame Church in Montreal with automatic sprinklers last year provides an outstanding example of what is being done to preserve these fine Canadian institutions from the hourly menace of destruction by fire.

One has only to consider for a moment how much richer, artistically, the world would be today had all the magnificent edifices of past ages been able to be properly safeguarded against the ravages of fire, to appreciate just what importance attaches to modern fire prevention movements and the efficient mechanical appliances and equipment that have been evolved in the course of the last few decades.

Three Churches Equipped

Due largely to the efforts of M. Emile Vaillancourt three churches in Montreal, namely Notre Dame, Très Saint Nom de Jésus, and St. Clément de Viauville, have been equipped with automatic sprinkler systems in the last year or two, thus ensuring their preservation in case of an outbreak of fire. In the course of the past ten years M. Vaillancourt interested himself in delving among the forgotten histories of our old cathedrals and churches, monuments of the devotion of preceding generations, and became more and more impressed with the matter of their preservation. To him has been attributed the idea which resulted in the formation by the Quebec Government of a commission charged with the conservation of historic monuments.

One of the most important sprinkler installations that has been made so far is that of Notre Dame Church, Montreal, where the system comprises nearly 4,000 sprinkler heads ready to function upon the first sign of fire. The skill with which these have been disposed is remarkable. Any exposed pipes, and these are few, are painted to blend with the color of the background, while sprinkler heads of which there are about 4,000 in all, are cleverly arranged so as to be practically incapable of detection.

HEAVY DEMANDS ON FARM CREDIT IN PAST YEAR

U.S. Intermediate Credit Banks Have $125,000,000 Out

Evidence of the importance and usefulness of intermediate credit banks in short-term agricultural financing is afforded by the operations of such institutions in the United States during the first seven months of this year. During this period 421 agricultural credit corporations, livestock loan companies and banks have used the facilities of the 12 federal intermediate credit banks to discount farmers' notes. The increasing importance of these banks in these times when agriculture credit is becoming more and more difficult to obtain is emphasized by the fact that during the same period in 1930 only 277 institutions discounted notes with them.

Since the twelve intermediate credit banks were organized in 1923, farmers' notes have been discounted for over 790 local lending institutions, and loans have been made to 118 farmers' co-operative marketing associations, with membership of 1,500,000 individuals, bringing the total of discounts and loans up to $1,250,000,000. While these figures are to some extent due to the rapidly decreasing number of banks throughout the country and to the establishment of agricultural credit corporations or livestock loan companies in many places where banks have failed, a distinct trend toward intermediate credit is recorded.

Discounts Notes

An intermediate credit bank may discount notes or other obligations upon which the original borrower has been charged a rate of interest not more than 3 per cent per annum in excess of the discount rate of the bank at the time the loan was made, or it may accept such notes or obligations as security for loans or advances provided the rate of interest be not greater than that permitted by the State law, and that such notes and other obligations meet the requirements of the act and the bank. The discount rate for intermediate credit banks since early in 1930 has been 4 per cent. Thus, the maximum rate which could be charged borrowers if the notes were to be discounted with the intermediate credit banks would be 7 per cent, under present conditions.

Intermediate credit banks, cannot make loans directly to farmers, as they are limited to the farmers' paper which is offered to them by local institutions this being in the form of warehouse receipts representing staple agricultural commodities stored in acceptable warehouses. Upon such collateral they loan up to 75 per cent of the market value.

$125,000,000 Outstanding

At the beginning of July this year intermediate credit banks had outstanding approximately $125,000,000 in loans and discounts. Of this, $57,000,000 was represented by loans to farmers' co-operative marketing associations on agricultural commodities, principally cotton, wheat, wool, dried and canned fruits, with the balance on half a dozen other staple agricultural products. August 1, of course, is a date on which loans of this character are usually at a rather low ebb. Direct loans to co-operatives have been increasing in volume rapidly in recent years. The banks had outstanding in discounts about $79,000,000 which was nearly equally divided between agricultural credit corporation and livestock loan companies.

Intermediate credit banks have encouraged the establishment of agricultural credit corporations or livestock loan companies where such institutions can render an economic service, that is, where the commercial banks are not making all the safe loans the community needs or where the banks recognize a distinct difference between an intermediate credit type of loan which the farmer needs for certain operations, and the short-term loan.

Commenting upon this situation, as it exists in the United States, The American Banker says:

"This distinction is being recognized more widely as the months pass and that is one of the reasons why commercial bankers are not extending credit to farmers as extensively as heretofore. The intermediate credit banks also have urged bankers to co-operate with them, that is, submit their financial statements and do whatever is necessary so that the former can determine whether they can discount farmers' notes sent to them by the local commercial banks.

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CHAMBER CONTEST FIRE PREVENTION PROVES VALUABLE

Eleven Boards and Chambers in 7 Provinces Participated

The sixth annual convention of the Canadian Chamber of Commerce held in Regina early in September marked the first annual meeting held since the inauguration in 1930 of an inter-board and chamber fire prevention contest. This national programme had its origin in a realization of the large amount of preventable fire loss throughout Canada and the desire to enlist the co-operation of business men in a national effort to reduce these losses by the appointment of local fire prevention committees and by directing increased attention to local fire safety.

With the approval of the fourth annual meeting there was set up a Canadian Fire Waste Council composed of representatives of national fire prevention organizations, to advise and assist local organizations in their activities.

Eleven Entries

The initial year of operation of the contest has proved most encouraging and records have been received from 11 member boards and chambers in seven of the provinces, including two or more communities in the four population categories, viz., cities over 50,000, between 15 and 50,000, towns and cities between 5 and 15,000, and those under 5,000.

The basis on which the awards are made is that the board or chamber in the town or city in each of the above categories showing relatively (a) the highest reduction in fire loss, (b) the greatest amount of educational activity along fire prevention lines and (c) the most permanent structural and protective fire improvement, will be awarded a shield annually by The Canadian Chamber of Commerce. For the purpose of estimating the progress achieved by each community, the percentages for the relative accomplishments in judging the contest will be taken as (a) 40 per cent, (b) 30 per cent and (c) 30 per cent respectively.

After careful consideration by the national executive of the records received from the boards or chambers which entered, the winners of the contest for 1930 were decided upon as follows: Class I, Hamilton; Class II, Oshawa; Class III, Kenora and Class IV, Kentville, N.S.

Fire Prevention Committees

Experience has repeatedly demonstrated that community fire prevention work can be carried on most effectively through the organization of a permanent fire prevention committee in the local board or chamber. Such a committee functioning over an extended period of time, is best designed to conduct a comprehensive study of local fire protection and fire prevention requirements and to translate its findings into constructive action. Accordingly, with the encouragement of the Secretariat, all entrants in the contest appointed a local fire prevention committee and in many cases sub-committees were also set up. In one chamber as many as 50 members were actively engaged in community fire prevention.

In many cases it was difficult to make a decision as to the best record submitted. All ten communities participating achieved unusually practical results. Of the records received, 80 per cent reveal a reduction in the number of actual fires, over 50 per cent reported a reduction in the number of fires exceeding $1,000 loss, while over 50 per cent also reported a reduction in the total property loss sustained by fire over the previous year.

The fire prevention week and the "clean-up" campaign were widely supported by the boards and chambers participating and in some cases they were directly responsible for these community activities. The co-operation of various service clubs, insurance societies, etc., was secured by the boards and chambers, while boy scout training and fire prevention instruction in schools also were featured in the replies received.

Urge Municipal Code

The urging by the board or chamber upon the municipal council for the adoption of a municipal building code where none existed was one of the progressive steps taken by a number of the entrants in the contest. In every case additions or replacements have been made to the fire fighting equipment at the disposal of the ten communities and very favorable records were submitted in every case in this particular connection.

A more detailed précis of the reports submitted by the contestants is in course of preparation and will be available shortly.

Good Example Set By C.P.R. Officials

While fire prevention is preached throughout the year by the Canadian Pacific Railway, it receives special emphasis during "Fire Prevention Week," as may be seen from the telegram which the company sent out on October 3 to every agent on the system in Canada and the United States in addition to a circular to heads of departments throughout the system:

"Week beginning October 4 being observed throughout Canada as Fire Prevention Week and to again emphasize company's fire prevention policy, all officers and employees are earnestly requested to set usual good example by making this a fireless week.

Grant Hall,
Vice-President."

Alexandria Gold Mines Elect New Director

At a recent meeting of directors of Alexandria Gold Mines, Senator Wm. H. Sharpe was elected a director of the company to fill the vacancy created by the recent death of Senator S. J. Crowe.

THE ALBERTA PACIFIC GRAIN CO. LIMITED

Fifth Annual Report of the Directors

Year Ended 30th June, 1931

BALANCE SHEET as at 30th June, 1931

ASSETS

Cash on Hand and with Paying Agents		$ 15,427.34
Accounts Receivable:		
Earnings Accrued on Grain	$267,052.37	
Advances on Grain	400,989.88	
Employees	11,659.83	
Subsidiary Companies	26,169.30	
Sundry (Less Provision for Doubtful Accounts)	217,869.99	
		923,741.37
Stocks on Hand of Grain and Coal (Net):		
Per Inventories certified to by responsible officials		857,507.97
James Stewart and Company Limited:		
As at 30th June, 1930, stated at Interim Value placed by Directors on Securities held		340,000.00
Investments—at Book Value:		
In Subsidiary and Allied Companies		482,357.00
Memberships—at Cost		41,920.00
Deferred Charges:		
Prepaid Insurance, Taxes, etc.		27,839.72
Country and Terminal Elevators and Other Properties—at Book Value after Deducting Provision made for Depreciation		7,024,985.58
		$9,713,778.98

LIABILITIES AND CAPITAL

Accounts Payable:		
Bank Bills Payable and Current Balances	$1,689,079.87	
Sundry Creditors	599,995.86	
Subsidiary Companies	8,099.79	
		$2,297,175.52
Bonds:		
6% First Mortgage Sinking Fund Gold Bonds	$3,500,000.00	
Less: Amount Redeemed through Sinking Fund	512,500.00	
		2,987,500.00
General Mortgage Gold Bonds, pledged to Banks as Collateral Security to their Loans	$2,500,000.00	
Bond Redemption Reserve		21,663.75
Contingency Reserve		51,988.87
Capital:		
Authorized and Issued:		
30,000 Cumulative Redeemable 7% Preferred Shares of $100.00 each	$3,000,000.00	
100,000 No Par Value Common Shares being 80,000 Class "A" and 20,000 Class "B" in terms of Supplementary Letters Patent dated 1st December, 1930	1,000,000.00	
		4,000,000.00
Surplus—as per Statement attached		355,450.84
Contingent Liability—As Indemnitor under various Bonds for Subsidiaries and also as Guarantor of certain Subsidiaries' Bank Loans.		
Dividends on Cumulative Redeemable 7% Preferred Shares paid to 1st July, 1930.		
		$9,713,778.98

STATEMENT OF SURPLUS
For the Year Ended 30th June, 1931

Balance brought forward at June 30th, 1930		$200,011.86
Operating Profit		665,723.75
		$865,735.61
Deduct		
Bond Interest	$187,140.00	
Depreciation	150,000.00	
Income Tax Adjustment for prior periods	5,562.50	
Result of Subsidiary Companies' Operations (Net Loss)	6,920.75	
Special Addition to Reserve for Doubtful Accounts	160,661.52	
		510,284.77
Balance:		
30th June, 1931, as per Balance Sheet		$355,450.84

DOM. WOOLLENS INVENTORIES WRITTEN DOWN

Surplus Greatly Reduced But Management Hopeful for Current Year

With sales of Dominion Woollens & Worsteds for the year ended June 30, 1931, down 30 per cent in value as compared with the previous year because of lower prices and the reduced demand for yarns and knitted goods, profits for the year were $112,276 after providing for administration, bank interest, all operating expenses and renewals. This compares with $57,750 in the preceding year after writing down inventories to replacement value and to $586,500 in 1929. After bond interest of $130,455, bad debts provision of $68,000 and adjustment of $491,672 due to depreciation, there was for the year a net deficit of $577,851, bringing the accumulated net deficit to $744,822 for the last two years, which brings the surplus at acquisition of the company down to $897,050.

INCOME ACCOUNT
Years Ended June 30

	1931	1930	1929
	$	$	$
Oper. profit	112,276	‡57,750	586,500
Add: Other inc.	......	8,067	14,937
Net earnings	112,276	65,817	601,437
Less: Deprec.	......	99,965	181,769
Bank int.	......	28,294	49,851
Other int.	......	55,448	95,690
Bond int.	130,455	135,000	136,634
Prov. for bad debts	68,000	42,000	10,500
Adj. due to deprec.†	491,672	......	......
Net profit	*577,851	*294,890	126,993

* Deficit.
‡ After writing down inventories to replacement value.
† Inventory adjustment due to depreciation in values during the year.

Values Declined

In the depreciation account an amount of $301,147 was due to declines in value of inventories of raw materials, goods in process and finished goods, the decline in wools and tops being about 30 per cent during the year. Changes in fashion caused obsolescence of lines of materials and merchandise amounting to $190,526 during the year.

The bright side of the picture, pointed out by A. O. Dawson, president, is that inventories at June 30, 1931, were $535,846 less than a year earlier, and the management believes "that these inventories can be turned over at a reasonable profit during the year." Administration, general and selling expenses have been drastically reduced, and substantial savings are expected in current year from this alone.

To Invoke Dumping Clause

"The Government is carefully studying the value at which foreign goods are being entered for duty purposes, and it is expected that the dumping clause of the tariff will shortly be put in operation on many lines in which your company is interested.

The appointment of H. Barrett, formerly general manager of Penman's, as managing director is also referred to by Mr. Dawson as a good augury for future operations. If expectations of the new manager for the coming year are realized "some profit will be available for the preferred shares."

Current Assets Are Down

Current assets of $1,802,663 were 1.98 times current liabilities of $904,789, a decline during the year from current assets of $2,464,990, which amount was 2.90 times current liabilities of $851,007 a year earlier.

WORKING CAPITAL

	1931	1930	1929
	$	$	$
Curr. assets	1,802,663	2,464,990	3,304,203
Curr. liabs.	904,789	851,007	1,467,438
Work. capital	897,874	1,613,983	1,836,765
Ratio	1.98—1	2.90—1	2.25—1

Cash was up from $2,450 to $17,251 and the decline in current assets was mainly attributable to the drop in inventories from $1,935,589 to $1,399,742 and of receivables from $493,455 to $355,685. Increase in current liabilities was made up mainly of increase in secured bank loans from $560,000 to $609,000 and of payables from $180,979 to $219,013.

Fixed assets are shown at $4,453,742 against which depreciation is shown in the liabilities of $185,741.

Howey Reports Record Output For September

September production by the Howey Gold Mines established a new high record with an output valued at $81,000 including about $50,000 premium occasioned by United States exchange appreciation.

The operating costs for the month were about $2.75 leaving a net operating profit estimated at close to $25,000. The addition of the new tube mill is expected to raise the production close to 900 tons daily. New underground haulage equipment and other improvements are expected further to reduce operating costs and it would come as no surprise if they were reduced to between $2.25 and $2.50 per ton when all the improvements are functioning properly.

DOUG. WRIGHT JOINS BROKERAGE HOUSE

Doherty, Roadhouse & Co. Employ Well-Known Mining Engineer

Douglas G. H. Wright, mining engineer and geologist, has become associated with the brokerage firm of Doherty, Roadhouse & Co., members of the Standard Stock & Mining Exchange at their branch, 51 King St. W., Toronto.

Mr. Wright was formerly on the staff of the Ontario department of mines and was later engaged in consulting work under the firm name of Wright, Boydell & James.

The long association of Mr. Wright with the mining fraternity and his intimate knowledge of mining properties will be of great assistance in his new connection.

Index of Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100 was 62.9 for the week ending September 24th, as compared with 67.0 for the previous week.

Origin of Fires in Canada

Causes Reported	Number of Fires 1930	1929
Smokers' carelessness	5,042	2,001
Carelessness with matches	4,365	1,475
Stoves, furnaces and pipes	4,599	4,406
Electrical defects and appliances	2,433	1,874
Sparks on roofs	2,232	2,793
Lightning	1,572	1,394
Coal oil and gasoline	1,269	1,459
Defective chimneys and flues	1,237	1,987
Hot ashes and coals	937	1,276
Exposure	805	1,113
Open fires	744	1,066
Spontaneous combustion	713	1,027
Portable lamps and lanterns	709	863
Miscellaneous known causes	608	4,981
Supposed incendiary	277	912
Fireworks	246	236
Unverified causes	9,281	7,172
Total	39,117	35,990
Fire casualties	326	233

MACKINNON STEEL SALES DECREASE PROFITS LOWER

Earnings Fall Short of Preferred Needs

From Our Own Correspondent

MONTREAL. — Reflecting the falling off in demand for structural steel during the period, operating profits of MacKinnon Steel Corp. in the fiscal year ended July 31, after taxes and operating reserve, showed a reduction of over 50 per cent at $50,307, compared with $102,815 in the previous year. After provision for depreciation, net earnings of $32,307 fell slightly short of preferred dividend requirements and after all deductions there remained a deficit for the year of $9,673.

Net earnings were equal to $5.87 a share on 5,500 shares of 7 per cent preferred stock. In the previous year dividends on 6,000 shares were earned nearly twice over and there remained a sum equal to $2.71 a share on the common stock.

Profit and Loss Figures

Following is a comparison of profit and loss figures for the past three years ended July 31:

	1931	1930	1929
Oper. profit (a)	50,307	102,815	79,847
Depreciation	18,000	24,000	18,000
Net earnings	32,307	73,815	61,847
Deduct:			
Pref. divds.	39,428	42,000	31,500
Inc. tax adjust. (1930)	2,552	......	......
Pref. stock sinking fund	......	4,347	.. ..
Year's surp. (d)	9,673	32,468	30,347
Prev. surplus	62,815	30,347	......
	53,142	62,815	30,347

(a) After deduction of operating reserve and income tax.
(d) Deficit.

Redeem Preferred Shares

The balance sheet shows a reduction of $50,000 in preferred stock, which has been redeemed and cancelled. Net working capital of $284,280 compared with $315,261 in 1930 and current assets at July 31, 1931, were $301,705 as against current liabilities of $17,425.

Cash and call loans have been increased from $136,953 to $228,878, while inventories, less reserve, are lower by $36,000 at $31,137. Reflecting the lower volume of business handled, accounts receivable, less reserve, are sharply lower at $41,690 compared with $169,157. A deferred payment of $10,000 on land sold is shown.

Property account is carried at $453,811 a reduction of $15,000 from the figures shown in the previous balance sheet. Total assets amount to $767,207, down from $844,821.

Payables Show Decline

In liabilities, bills payable have dropped from $30,750 to $6,585, while accounts payable are lower by $17,000 at $10,840. Reserve for depreciation now stands at $60,000, while preferred stock sinking fund is unchanged at $4,347.

Capital surplus has been increased by $5,043 to $82,291, the gain being due to discount on preferred shares redeemed. Profit and loss balance totals $53,143 compared with $62,815 at the end of the previous year.

In his remarks to shareholders D. H. McDougall, president of the company, stated that gross sales decreased substantially and operations at the plant were curtailed during the year. He pointed out that the contract received for the bridge at Yamaska, Que., will assist in providing work at the company's plant for some months.

CON. SMELTERS GOLD AND SILVER INCREASE

Third Quarter Report Shows Base Metals Output Down

Metal production figures by the Consolidated Mining & Smelting Co. for the three months ended September 30, 1931, show a decline for the base metal output but an increase for gold and silver.

The following is a comparison of production for the second and third quarters of the current year:

Metal Production

	3rd quar. 1931	2nd quar. 1931
Lead, tons	30,962	36,678
Zinc, tons	24,059	30,037
Copper, tons	143	198
Gold, oz.	6,065	5,224
Silver, oz.	1,721,504	1,450,665

Saint John Banking Firm Makes Assignment

From Our Own Correspondent

MONTREAL.—Announcement has been made of the suspension of operations by J. M. Robinson and Sons Ltd., of Saint John. The company has filed a voluntary assignment and Paul F. Blanchet has been appointed custodian of the estate.

It is understood that all the property and securities of the company have been preserved and protected and that current liabilities will be found to be small. Offices have been maintained in Fredericton and Saint John.

Cambro-Kirk. Shareholders Receive Bidgood Shares

At the special meeting of Cambro Kirkland shareholders held in Toronto October 5, approval was given to distribute the company's holdings of 200,000 shares in Bidgood Mines to Cambro shareholders.

The distribution will be effected October 10. The company's other holdings in various companies will be distributed later on.

EXCHANGE BENEFIT PASSED BY MINES TO SHAREHOLDERS

Four Companies Obliged to Pay in N. Y. Funds—Two Declare Bonuses

The premium on United States funds currently selling around 12½ per cent is stimulating interest in the gold stocks, particularly those paying dividends.

The rapid rise in the exchange rate has been also a benefit to the gold producers, and has brought up the question as to how shareholders in the dividend paying gold mines are to profit immediately by the exchange situation.

Only two dividend-paying gold mines in Canada are listed on the New York Exchange, and which requires stocks so listed to pay dividends in funds, at par in the borough of Manhattan. These two mines, Dome and McIntyre-Porcupine, are thus obliged to distribute dividends to their shareholders in New York funds. Of the remaining dividend-paying gold stocks, several are listed on the New York Curb Exchange but no such regulations regarding the payment in New York funds exist there, and as a consequence these producers will make their distribution in Canadian funds. Two producers, Lake Shore and Teck Hughes, have in the past few days announced dividends and bonuses which will pass along a portion of these increased profits to the shareholders at once. Wright-Hargreaves made its regular distribution on October 1st in Canadian funds to Canadian shareholders, but in United States funds to United States shareholders.

Two other Canadian mines, International Nickel and Noranda, are both listed on the New York Stock Exchange, and the former will be obliged to make its dividend distribution in New York funds. Noranda Mines has suspended dividends for the present, but is benefiting by the premium on New York funds in selling its gold production to Ottawa.

Would Rent Moose Jaw Airport

Canadian Airways, Ltd., have been offered the use of the municipal airport and hangar at Moose Jaw, Sask., for the nominal rental of $1 per annum, the company to undertake to pay all insurance, lighting, fuel, repair and renewals bills. The right is reserved to the Moose Jaw Flying Club to use the field.

WESTERN GRAIN BALANCE SHEET SHOWS CHANGES

Has $679,000 of Bank Loans But Reduces Other Liabilities

The balance sheet of Western Grain Co. at July 31, 1931, shows but few major changes from that of the year previous despite the inclusion of the assets and liabilities of its subsidiary company, Mutual Grain Co. As previously reported in The Financial Post, the company showed an improved earnings position during the past fiscal year and earned $8.12 on the 20,000 shares of $100 par value preferred stock outstanding in contrast with a deficit of some $5.10 per share from operations alone in the previous year.

Working capital is somewhat lower at $430,492 as compared with $456,511 shown in 1930. Cash is down to $21,365 as against $63,989 shown in 1930 and notes and accounts receivable are down to $21,599 from $59,808, while there is a new item of $259,424 for advances, freight, accrued storage and other charges on grain in store. Inventories are down materially to $1,212,695 from $2,106,774. The ratio of current assets to current liabilities stands at 1.4 to 1, an increase from the 1.26 to 1 shown in 1930 and 1.21 to 1 shown in 1929.

Current liabilities consist of a secured bank loan of $679,000 which is in contrast to the lack of such liabilities in 1930. Stored grain liability amounting to $1,615,501 in 1930 is absent from the current statement. Accounts payable are up to $357,174 from $117,799 last year, while cash tickets and others outstanding are considerably lower at $48,419.

Fixed assets include country and terminal elevator and other properties carried at $5,319,116, subject to deduction of $168,870 for depreciation to July 31, 1929. Furniture and automobiles are carried at $21,612 bringing the book value of all fixed assets to $5,171,858 compared with $5,105,980 in 1930. Memberships and investments are carried at $243,585 and $22,810 is carried in bonds purchased in anticipation of future sinking fund payment.

Bonds outstanding at July 31, 1931, amount to $2,938,000, showing $62,000 has been retired during the past year. There is a bond redemption reserve of $12,400. There remain outstanding 20,000 shares of $100 par value preferred stock carried at $2,000,000 from which is deducted $100,000 par value of preferred shares held by Mutual Grain Co., a subsidiary. There are 200,000 shares of no par value common outstanding, carried at $775,229. Profit and loss account stands at $263,372 as compared with $188,949 shown for the parent company alone in 1930. Quarterly dividends on the preferred shares were discontinued during 1931 and accrue from April 2, 1931.

Income and Surplus Account
Years Ended July 31

	1931‡	1930	1929
	$	$	$
Net earn. after oper. exp.	340,241	77,455	811,707
Less: Bond int.	177,830	180,000	105,000
Deprec.	......	......	175,497
Net profit	162,411	*102,545	†531,210
Less: Pfd. div.	97,500	130,000	65,000
Surp. for year	64,911	*232,545	466,210
Add: prev. surp.	§199,538	466,210	......
Less: Inc. tax, 1929	1,077	44,716	......
Bal. forward	263,372	188,949	466,210

*Deficit.
†Subject to income tax.
‡Consolidated statement.
§Includes surplus of subsidiary company.

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WRIGHT MOTORS TO BE WOUND UP AFTER LONG LIFE

Much Financing Undertaken — Little Production

From Our Own Correspondent

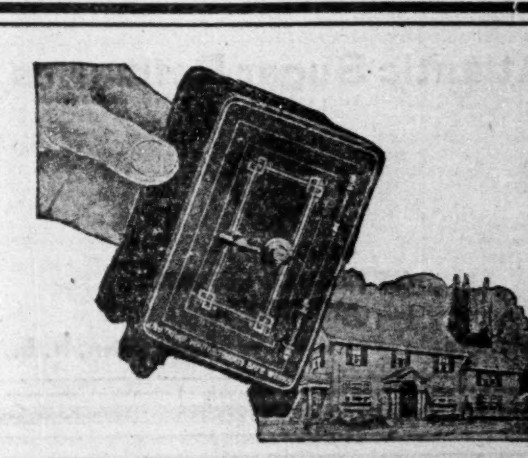
MONTREAL. — Wright Flexible Axle Motors Ltd., which was known more recently as Wright Martin Motors Corp., is finally being wound up after eight years of activity; Fred H. Pope has been named liquidator.

It was only this year that shareholders were advised of a reorganization assessment. According to a bulletin of the Better Business Bureau of Montreal, the financing of Wright Flexible Axle Motors was a long-drawn-out affair. In 1923 a group headed by J. A. Wright bought certain assets, patents and manufacturing rights for a flexible axle from a bankrupt estate for $18,000. In the succeeding year a syndicate or trusteeship was formed by Wright to develop the patents and $700,000 was raised.

In 1927, Wright Flexible Axle Motors was formed and stock selling campaigns commenced, while in 1928 rights were offered to shareholders.

In 1929 the report states that financing was still being carried out and by December stock to the value of $455,051 had been subscribed in addition to the $700,000 raised by the original syndicate.

In January, 1930, shareholders were advised of the formation of an associated company in the United States called Wright Motor Car Corp., of America, and they were offered units of the Canadian company and the United States company at $37.50 each.



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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING OCTOBER 5

Range 1931 High	Range 1931 Low	Divd. Rate	Yield in % at Oct. 3		Sales	Close Sept. 28 (or last)	Week Ending Oct. 5 High	Low	Close
[illegible]									
85	70	7	10	Viau Biscuit	....	9½	..	..	..
30	10		...	Do. pref.	....	70	..	..	..
8⅝	3	50c	14.3	Wabasso Cot.	25	10	10	10	10
7¾	2		...	Walker-Good.	29370	4	4	3	3¼
45	30	1	2.5	Waterloo Mfg.	85	2	2	2	2
90	79	7	8.9	Weston Bisc.	....	40	..	..	..
17½	7		...	Do. pref.	....	79	..	..	..
96	75	6.50	8.7	West. Can. Fl.	....	7	..	..	..
17	10		...	Do. pref.	....	75	..	..	..
55	40	7	17.5	West. Grocers	....	10	..	..	..
91	85	6.50	7.1	Do. pref.	....	40	..	..	..
x9	9		...	W. Steel Pr. p.	....	91	..	..	..
13	10		...	Whittall Can	....	..	..	..	..
73	71	6.50	9.1	Windsor Hotel	....	12	..	..	..
21¼	4		...	Do. pref.	....	71	..	..	..
81½	49	7	14.3	Winnipeg Elec.	200	5½	6	5	5
‡30	30		...	Do. pref.	....	49	..	..	..
40	36		...	Woods Mfg.	....	..	..	..	..
80	80	7	8.7	Do. pref.	....	36	..	..	..
x2½	1½		...	Wood Alex, J.p.	....	80	..	..	..
7	7		...	Zimmerknit	....	..	..	..	..
			...	Do. pref.	....	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of .005% monthly.
† Plus stock bonus.

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Telephone & Tel. "A"	...	$1+50c	Jan. 1/32	Dec. 17
Amer. Comm. Power pref.	...	52c	Nov. 2	Oct. 12
Do., pref.	...	52c	Dec. 1	Nov. 12
Do., 1st pref. "A"	$7	$1.75	Nov. 2	Oct. 15
Do., 1st pref.	$6.50	$1.63	Nov. 2	Oct. 15
Do., 1st pref.	$6	$1.50	Nov. 2	Oct. 15
Do., 2nd pref. "A"	$7	$1.75	Nov. 2	Oct. 15
Do., com.	...	†1/40 sh.	Oct. 26	Sept. 30
Brantford Cordage, pfd.	$8	$2	Oct. 15	Sept. 20
Belding Corticelli, com.	7%	1¾%	Nov. 2	Oct. 15
Bell Telephone	8%	2%	Oct. 15	Sept. 23
B. C. Power "A"	$2	50c.	Oct. 15	Sept. 30
Calgary Power, pref.	6%	1½%	Nov. 2	Oct. 15
Can. West. Natural Gas c.	$4	$1+50c‡	Oct. 15	Oct. 15
Canada Dry c.	$3	75c	Oct. 15	Oct. 1
Can. Industries	...	62½c+25c	Oct. 31	Sept. 30
Do., pref.	7%	1¾%	Oct. 15	Sept. 30
Canada Bud Brew.	$1	25c	Oct. 15	Sept. 30
Can. Fairbanks Morse pfd.	6%	1½%	Oct. 15	Sept. 30
Can. Light & Pr.	...	½%	Oct. 15	Sept. 30
Canadian Bronze	$2.50	62½c	Nov. 1	Oct. 20
Do., pref.	7%	1¾%	Nov. 1	Oct. 20
Can. Wire & Cable "A"	$4	$1	Dec. 15	Nov. 30
Canadian Car, pref.	$1.75	43c	Oct. 10	Sept. 25
Canadian Car, com.	$1.75	44c	Nov. 30	Nov. 13
Can. Northern Power, com.	80c	20c	Oct. 26	Sept. 30
Do., pref.	7%	1¾%	Oct. 15	Sept. 30
Can. Pr. & Paper Invest. pfd.	5%	1¼%	Nov. 16	Oct. 20
Can. Wineries	50c	12½c	Oct. 15	Sept. 30
Can. Foreign Invest. pfd.	8%	2%	Oct. 10	Oct. 5
Consol. Oka Sand pref.	7%	1¾%	Oct. 1	Sept. 25
Cons. Industries	80c	20c	Nov. 2	Oct. 15
Dome Mines	$1	25c	Oct. 20	Sept. 30
Dominion Textile pref.	7%	1¾%	Oct. 15	Sept. 30
Dominion Tar, pref.	6½%	1⅝%	Nov. 1	Oct. 15
Eastern Dairies	$1	25c	Nov. 2	Sept. 30
Do., pref.	7%	1¾%	Oct. 15	Sept. 30
English Electric "A"	$3	75c	Oct. 15	Sept. 30
Foreign Power Secs. pfd.	6%	1½%	Nov. 16	Oct. 31
Ford Hotel, com.	...	50c	Oct. 31	....
Foundation Co. com.	$1	25c	Nov. 14	Oct. 31
Granby Cons Mining	$1	25c	Nov. 2	Oct. 16
Guardian Realty of Can. pfd.	7%	1¾%	Oct. 15	Sept. 30
Hamilton Bridge pref.	6½%	1⅝%	Nov. 1	Oct. 15
Humberstone Shoe	$2.40	60c	Nov. 2	Oct. 15
Hamilton Bridge pfd.	$6.50	$1.62½c	Nov. 1	Oct. 15
Howe Sound	$2	50c	Oct. 15	Sept. 30
Inter. Hydro-Electric, pfd.	$3.50	87½c	Oct. 15	Sept. 25
Do., Class "A"	...	1/50 sh.*	Oct. 15	Sept. 25
Inter. Nickel, pref.	7%	1¾%	Nov. 2	Oct. 3
Investment Foundation, pref.	$3	37c	Oct. 15	Sept. 30
Inter. Utilities "A"	$3.50	87½c	Oct. 15	Sept. 30
Do., pfd. 1931 series	$1.75	43¾c	Oct. 15	Sept. 30
Do., prior pfd.	$7	$1.75	Nov. 2	Oct. 16
Do., prior 1931 series	$3.50	87½c	Nov. 2	Oct. 16
Imperial Bank	12%	3%	Nov. 2	Sept. 30
Lake Shore Mines	$2+50c	50c+50c	Dec. 15	Dec. 1
MacKinnon Steel pfd.	7%	1¾%	Nov. 2	Oct. 15
Mitchell, Robt.	$1	25c	Oct. 15	Sept. 30
Montreal L. H. & Pr.	$1.50	37c	Oct. 31	Sept. 30
Montreal Telegraph	8%	2%	Oct. 15	Sept. 30
McColl Frontenac pref.	$6	$1.50	Oct. 15	Sept. 30
Monarch Mortgage, pfd.	8%	2%	Oct. 15	Sept. 30
Montreal Tramways	10%	$2.50	Oct. 15	Oct. 7
Medicine Hat Greenhouses pfd.	7%	$1.75	Oct. 15	Sept. 30
Northern Ont. Pwr. pfd.	6%	1½%	Oct. 26	Sept. 30
Do., com.	$2	50c	Oct. 26	Sept. 30
Penmans	$4	$1	Nov. 16	Nov. 5
Do., pref.	6%	1½%	Nov. 2	Oct. 21
Power Corp., pref.	6%	1½%	Oct. 15	Sept. 30
Do., non-cum. pref.	6%	75c	Oct. 15	Sept. 30
Do., com.	$2	50c	Nov. 20	Oct. 31
Quebec Power	$2.50	62½c	Oct. 15	Sept. 25
Shawinigan W. & Pr.	$2	50c	Oct. 10	Sept. 24
Service Station pfd. "A"	$6	$1.50	Nov. 1	Oct. 15
Do., pref.	$6	$1.50	Nov. 1	Oct. 15
Southern Can. Pr. pref.	6%	1½%	Oct. 15	Sept. 19
Southern Can. Power com.	$1	25c	Nov. 16	Oct. 31
Steel of Canada	$1.75	43¾c	Nov. 2	Oct. 7
Do., pref.	$1.75	43¾c	Nov. 2	Oct. 7
Tuckett Tobacco, pref.	7%	1¾%	Oct. 15	Sept. 30
Teck-Hughes	60+5c	15+5c	Nov. 2	Oct. 17
United Securities	$2	50c	Oct. 15	Sept. 30
Western Grocers pfd.	7%	1¾%	Oct. 15	Sept. 20

*Stock div. or payable in cash 50c. a share. ‡Extra.
†Payable in Class "A" stock on each share of Class "A" & "B" common.

Dividends Passed or Deferred:
Canada Foundries & Forgings, Class "A," Oct. 15 passed. Last paid 37½c. July 15, 1931.
Dunlop Tire, pref., Oct. 1 passed. Last paid July 2, 1931.
International Paints, pref. Oct. 15, passed. Last paid 56¼c. July 15, 1931.
Mexican Light & Power, 7% cum. pref. and 4% 2nd pref. Nov. 1, deferred. Last paid 3½% on 1st pref. and 2% on 2nd pref., May 1, 1931.
Tooke Bros., pref., Oct. 15, passed. Last paid 1¾% July 15, 1931.
Transamerica Corp., Oct. 25, passed. Last paid 10c. July 25, 1931.

Bonus Omitted:
Year-end bonus of the following banks will be omitted this year: Commerce, Dominion, Imperial, Montreal, Royal & Toronto.

Dividend Rate Reduced:
Shawinigan Water & Pr., Oct. 10, reduced from 62½c to 50c quarterly.

Dividend Rate Increased:
Humberstone Shoe Nov. 2, increased from 50c. to 60c. quarterly.

Bonus Declared:
Lake Shore Mines, Dec. 15, 50c.
Teck Hughes, Nov. 2, 5c.

Listed Bond Quotations

Week Ending October 5

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1931 High	Range 1931 Low
Abitibi, 1st mtge.	5	1953	...	...	...	...	78	49
Asbestos	5	1942	...	...	...	...	100	...
Asbestos, 1st mtge.	6	1941	...	...	...	...	20	15
Do., gen. mtge.	6	1956	...	...	...	...	9	...
Can. Cons. Rub.	6	1946	...	...	...	...	x101½	102½
Can. Cottons	5	1940	6.88	...	...	...	91	88
Can. Forgings	6	1942	6.00	...	...	...	100	...
Can. Locomotive	6	1951	...	...	...	...	x96	...
Can. Pr. (La. Ser.)	5½	1958	...	...	...	...	28½	5
Do. (Way Ser.)	5½	1958	...	...	...	...	28¼	5
Can. S. S. deb.	5	1943	...	...	...	...	x98½	94
Cedars Rapids	5	1953	4.66	...	...	...	105	101
Dom. Canners	6	1940	...	...	...	...	x103	...
Dom. Coal	5	1940	5.29	...	...	...	98¾	98
McNish	6	1948	...	...	2.25	...	3.25	2.00
Mex. L. & Pr.	5	1940	10.05	...	...	...	73¼	70¼
Mont. L. H. & Pr.	4½	1932	...	100¼	...	...	x100	98⅝
Mont. Tr. 1st mtge.	5	1941	4.84	...	...	...	101½	99½
Mont. Tr. "A"	5	1955	5.70	...	...	...	95½	90½
Mont. Tr. G. & R. "B"	5	1955	5.51	...	...	...	95⅛	91¾
Do. "C"	4½	1955	5.64	...	...	...	85	84
Do. "D"	5	1955	5.55	...	...	...	95½	91¾
N. S. Steel	5	1959	...	...	...	...	62⅝	59
Ogilvie Flour "A"	6	1932	5.35	...	...	...	100⅝	100
Do. "B"	6	1932	...	...	...	...	x108	101
Do. "C"	6	1932	5.73	...	...	...	100½	...
Ont. Steel	6	1943	...	...	...	...	...	...
Porto R. Pr.	5	1936	7.95	89	89	...	93	88
Steel of Can.	6	1940	4.98	107	107	...	107½	106¾
Wayagamack	6	1951	...	...	...	...	75	45
West. K. Pr.	6	1940	5.15	...	...	...	106	...
Winn. Elec.	5	1935	5.12	...	...	...	99½	98¾
Toronto								
Canada Bread	6	1941	6.00	...	...	...	101½	100
Steel of Can.	6	1940	5.12	...	...	...	106½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1931	....	....	....	....	101.70	99.95
Do.	5	1937	3.96	104.50	105.25	103.75	108.15	103.75
Victory Loan	5½	1933	4.73	101.00	101.00	100.50	105.25	100.50
Do.	5½	1934	5.40	99.75	101.00	99.75	105.30	100.25
Do.	5½	1937	4.37	105.50	105.40	105.25	112.40	105.25
Do., refund	4½	1940	5.19	93.50	....	....	102.30	96.60
Do., refund	5	1943	5.00	99.00	100.00	98.25	106.70	98.25
Do., refund	4½	1944	5.02	93.00	92.50	92.00	102.35	92.00
Do., refund	4½	1946	5.99	93.00	....	....	102.45	97.50
Do., renewal	5½	1932	4.20	99.75	100.00	....	103.00	101.50
Conversion Loan	4½	1956	5.03	90.00	91.00	....	102.10	91.00
Do.	4½	1957	5.12	90.00	92.00	....	103.00	92.00
Do.	4½	1958	5.11	93.00	92.00	....	104.65	92.00
Do.	4½	1959	5.17	93.00	96.00	92.00	104.75	92.00

x—Quotations for 1930. None recorded in 1931 to date.

Foreign Exchange

	New York Funds Opened (Premium)	Closed	Last Year High (Discount)	Low
September 30	12%	13%	1-64	3-32
October 1	15%	14%	1-32	3-32
October 2	14¾%	14½%	1-16	5-64
October 3	14%	14%	1-16	5-64
October 5	....	....	3-32	3-32
October 6	....	....	5-64	7-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
September 30	3.89	3.93⅞	5.09
October 1	3.95	3.93⅞	5.13
October 2	3.90	3.93⅞	5.15
October 3	3.84	3.93¾	5.13
October 5	3.82½	3.91¾	5.13½
October 6	3.91½	3.93¾	5.14½

FOREIGN EXCHANGE

Par		Sept. 22	Sept. 29	Oct. 6
5.26	Italian	5.92	5.67	5.78
23.80	German	25.36	26.23	25.87
13.90	Belgian	14.83	15.48	15.75

Winnipeg Stock Exchange

September 21

	Bid	Ask
Beaver Fire	..	115
Beaver Lumber. c.	5	...
Do., pref.	..	100
Can. Amer. Tr. shs.	..	4½
Can. Fire Ins.	...	85
Can. Indemnity	120	...
Crescent Creamery	90	...
Gt. West Life	..	450
Home Investment	..	50
Monarch Life	..	30
Nor. Can. Mtge. pf.	15	...
Nor. Can. Mtge. c.	½	...
Un. Gr. Growers	10	..
West Breweries	2	2¼

Unlisted Canadian Stocks

(Furnished by A. J. Pattison Jr. & Co., Limited)

October 6, 1931

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	....	.40
Acadia Sugar pfd.	1.85	....
Allens Coll. pfd.	28.50	....
Allens Lond. pfd.	28.50	....
Andian Nat. Corp.	22.00	27.00
Brand.-Hend. c.	....	19.50
Brand.-Hend. pfd.	74.00	85.00
Brew. Corp. of Can. c.	....	.60
Brew. Corp. of Can. pfd.	2.00	4.00
B.C. Pulp & Pap. com.	2.00	....
B.C. Pulp & Pap. 7% pfd.	....	40.00
Canada Biscuit pf.	....	7.25
Can. Crushed Stone pfd.	....	74.00
Can. Dom. Sug. c.	16.50	18.25
Can. Mach. c.	5.00	7.50
Can. Mach. 7% pf.	22.50	31.00
Can. Packers c.	13.00	16.00
Can. Pack. 7% pf.	85.00	91.00
Can. Starch pfd.	70.00	....
Can. Tea pfd.	55.00	70.00
Can. Wire & Cable pfd. w.w.	95.00	100.00
Can. Indus. c. 'A'	100.00	110.00
Can. Indus. c. 'B'	....	108.00
Can. Indus. 7% pfd.	....	121.00
Can. Investors c.	....	9.00
Can. Westing.	....	55.00
Chase, A. W. 8% pfd.	37.00	42.00
Cons. Oka Sand & Gravel pfd.	....	76.00
Copeland Flour 6% pfd.	....	14.50
Dom. Foundries & Steel pfd.	50.00	56.00
Dom. Foundries & Steel c.	4.50	7.50
Dom. Mfrs. pfd.	70.00	....
Dunlop Tire 7% pfd.	....	85.00
Eastern Car 6% pfd.	45.00	57.00
Federal Grain pf.	15.00	....
Freiman, A. J., pf.	....	70.00
Goderich Elev. & Transit	13.00	15.00
Greening Wire 7% pfd.	84.00	94.00
Guard. Realty pf.	40.00	44.50
Harding Carp. pf.	....	58.00
Inter-City Bak. c.	46.00	53.00
Internat. Proprietaries "A"	....	30.00
Loew's London c.	.50	1.50
Loew's London 7% pfd.	....	3.50
Maritime Tel. & Tel. c.	12.50	16.00
Morrow Screw Nut 7% pfd.	94.00	....
Mt. Royal Hotel Scrip	1.00	2.25
Mount Royal Hotel com.	1.50	3.00
Mount Royal Hotel 6% pfd.	14.00	20.00
Nat. Grocers c.	.25	1.25
Nat. Grocers 2nd 7% pfd.	45.00	54.00
Para. Oshawa c.	9.00	....
Para. Oshawa pf.	28.50	....
Prov. Paper pfd.	....	65.00
Standard Clay Products c.	26.00	....
Standard Fuel pfd. bonus	64.00	72.00
Supertest Petroleum "B" pfd.	16.50	....
Toronto Brick pf.	60.00	....
Toronto Carp. c.	105.00	....
Toronto Carpet 8% pfd.	95.00	....
Toronto Elevator 7% pfd.	....	75.00
Toronto Hous'g c.	24.00	....
Un. Amuse. "A"	13.50	23.50
Willards Chocolates 8% pfd.	....	39.00

Insurance Stocks:	Bid	Asked
Br. Amer. Assce.	35.00	....
Can. Life Assce.	590.00	640.00
Canada Nat'l Fire	23.00	29.00
Can. Fire Ins.	74.00	92.00
Cap. Life 20% pd.	....	20.00
Commercial Life 10% pd.	....	20.00
Confederation Life 20% pfd.	200.00	250.00
Continental Life 20% pd.	70.00	90.00
Crown Life	....	250.00
Dominion Fire	93.00	130.00
Dom. of Canada General Ins.	200.00	230.00
Dom. Life 50% pd.	290.00	400.00
Excelsior Life 30% pd.	95.00	125.00
Fed. Fire 25% pd.	29.00	40.00
Fidelity Ins. of Canada	....	100.00
Gt. West Life	....	465.00
Guar. Co. of N. A.	238.00	....
Halifax Fire	....	18.50
Imperial Life	400.00	450.00
Mfrs. Life	300.00	340.00
Monarch Life	29.00	32.50
Nat. Life 25% pd.	105.00	125.00
Saskatchewan Life 10% pd.	8.50	18.00
Sovereign Life	26.00	31.00
Sun Life Assur.	525.00	725.00
Western Assur. c.	36.00	45.00
West. Life 20% pd.	7.50	....
Trust Loan & Bank Stocks:		
Br. Mtg. & Trust	170.00	....
Can. Gen. Invest. Trust 1st	19.00	29.00
2nd Can. Gen. Investments	4.00	7.00
Chartered Trust	95.00	110.00
Deb. & Sec. c.	....	74.00
Deb. & Sec. pfd.	58.00	....
Eastern Trust	140.00	175.00
Guelph & Ont. Inv. par $50	50.00	60.00
Lambton Loan & Savings	74.00	....
London & Western Trust	....	170.00
Midland Loan & Savings	11.00	....
Mtge. Disc. pfd.	3.25	4.75
Mutual Fin. pfd.	5.00	....
Mutual Fin. com.	5.00	....
Sec. Loan & Sav.	111.00	....
Sherbrooke Trust	112.50	....
Sterling Trust	....	90.00
Traders Fin. pfd.	40.00	55.00
Traders Fin. c.	....	15.00
Trusts & Guar.	74.00	80.00
Victoria Trust & Savings	170.00	185.00
Waterloo Trust & Savings	125.00	135.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	102.00	105.00
Calgary Pwr. pfd.	....	91.00
Can. Light & Pwr. com.	....	23.50
Can. Northern Power pfd.	100.00	106.00
Can. West. Nat. Gas LH&P pfd.	70.00	75.00
Gt. Lakes Pwr. pf.	....	90.50
N. B. Tel. c.	12.75	15.00
N. S. L & P c.	55.00	67.00
N. S. L & P pfd.	81.00	92.00
Ottawa LH&P 6½% pfd.	....	105.00
Pwr. Corp. 6% pfd.	91.00	97.00
Recent London Quotations:		
Brewer Distillers		3s.
Can. & For. Sec.		7s. 6d.
Can. West. Lumber		1s. 6d.
Hudson's Bay		19s.
Do., 5% pfd.		55s.
Internat. Holdings		$1 5/16
Nfld. Pr. & Pap. deb. stk.		97½
Trust & Loan of Can. (15s. pd.)		3s. 9d.

Active Current Bond Prices

September 28, 1931

	Bid	Asked	Yield
Dominion of Canada 5½/33	101.	103.	[illegible]
Dominion of Canada 5½/34	100.	102.	4.75
Dominion of Canada 5/43	98.	101.	[illegible]
Dominion of Canada 4½/46	92.	96.	[illegible]
Dominion of Canada 4½/56	90.	94.	4.90
Dominion of Canada 4½/58	91.	95.	4.85
C. N. R. (Dom. of Can. Guar.) 5/54	98.	101.	4.30
C.N.R. (Dom. of Can. Guar.) 4½/51	91.	94.	4.93
C. N. R. (Dom. of Can. Guar.) 4½/55	93.	96.	5.05
C. N. R. (Dom. of Can. Guar.) 4½/56	91.	96.	4.75
C. N. R. (Dom. of Can. Guar.) 5/69	98.	101.	4.75
Province of Ontario 4½/44	91.	95.	5.00
Province of Ontario 5/48	97.	100.	5.00
Province of Ontario (Hydro) 4½/70	92.	95.	5.05
Province of Quebec 4½/56	92.	95.	4.85
Abitibi Power & Paper 5/53	40.	45.	12.00
Argentine Gov't. (Ser. B) 6/58	39.	40.50	...
Beauharnois Power 6/59	65.	70.	9.00
Bell Telephone Co. of Canada 1st, 5/57	102.	106.	4.60
Brazil, U. S. of, Ext. S. F. 6½/57	21.	23.50	...
British Columbia Power 5/60	87.	91.	5.61
British Columbia Power 5½/60	94.	98.	5.63
British Columbia Telephone 5/60	94.	98.	5.13
Calgary Power 5/60	86.	92.	5.55
Calgary Brewing 5/42	98.	102.	4.40
Canada Cement 1st Mtge. S. F. 5½/47	86.	92.	6.30
Canada Gypsum Lime & Alabastine 5½/48	75.	82.	7.35
Canada Northern Power Corp. 5/53	86.	90.	5.82
Canada Steamship Lines 1st & Gen. 6/41	30.	40.	...
C. P. R. Collateral Trust 5/64	93.	96.	5.30
C. P. R. Secured 4½/44 Notes	88.	92.	5.30
Chile Republic Ext. S. F. 6/60	13.	15.50	...
Colombia Republic Ext. S. F. 6/61	25.	26.50	...
Davies, Wm. 6/42	80.	90.	7.40
Dominion Canners 6/40	102.	105.	5.30
Dominion Square Corporation 6/48	60.	.70.	9.00
Dominion Tar & Chemical 6/49	75.	85.	7.50
Dominion Textile 6/49	105.	108.	5.30
Duke Price Power 1st, 6/66	92.	97.	6.20
Eastern Dairies, Ltd., Conv. 6/49	94.	98.	6.20
Eaton, T. Realty, 5/49	85.	90.	5.92
Famous Players 6/48	70.	77.	8.50
Federal Grain 6/49	60.	70.	9.10
Foreign Power Securities Corp. 6/49	75.	85.	7.55
Fraser Companies 6/50	25.	35.	...
Gatineau Power, 1st Mtge. 5/56	70.	75.	7.10
Gatineau Power, S. F. Debs., 6/41	72.	76.	9.25
General Steel Wares 6/52	50.	55.	...
Howard Smith Paper Mills 5½/53	55.	65.	9.00
Harris Abattoir 6/47	95.	100.	6.00
Manitoba Power, 1st S. F. 5½/51	68.	75.	8.00
Maple Leaf Milling 5½/49	75.	80.	7.55
Massey-Harris, 1st Mtge. 5/47	55.	65.	7.50
MacLaren Quebec Power 5½/61	85.	90.	6.25
Montreal Coke, 1st S. F. 5½/47	96.	100.	5.50
Montreal Island Power 5½/57	94.	98.50	5.61
Montreal Light, Heat & Power 5/51	96.	100.	5.00
Montreal Tramways 1st, Coll. Trust 6/41	96.	100.	5.00
Montreal Tramways Gen. Ref. 4½/55	80.	85.	5.65
Montreal Tramways 5/55	83.	86.	6⅛
Moodie, J. R. 6/48	95.	100.	6.00
Ogilvie Flour Mills 6/32	99.	101.	4.95
Ontario Power Service 5½/50	65.	70.	8⅝
Ottawa Valley Power 5½/70	95.	98.50	5.60
Power Corporation of Canada 4½/59	78.	83.	5.75
Price Bros. 1st S. F. Ser. "A" 6/43	75.	85.	8.00
Quebec Power 1st, Mtge. Coll. S. F. 5/68	97.	100.	5.00
Shawinigan Water & Power 4½/70	85.	90.	5.10
Shawinigan Water & Power 5/70	97.	100.	5.00
Simpsons 6/49	80.	90.	7.00
Southern Canada Power 1st. 5/55	98.	102.50	4.85
United Securities Coll. Trust 5½/52	94.	99.	5.52
West Kootenay Power 5/56	94.	98.	5.15
Windsor Hotel 6½/43	99.	102.	6.25
Windsor Hotel 6/47	90.	96.	6.40
Winnipeg Electric 5/35	94.	100.	5.00
Winnipeg Electric 6/54	70.	78.	8⅛

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

A. J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay Street, (First Floor) Toronto Elgin: 5101 (TEN LINES)

Your Estate and Recent Amendments to the Ontario Succession Duty Act.

To assist you in determining just how succession duty rates in Ontario will affect your Estate, we have prepared a digest of this Act in an easily understandable form which we would be pleased to mail you upon request.

THE STERLING TRUSTS CORPORATION
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ASSETS OVER $43,000,000
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INVESTORS SYNDICATE
FOUNDED 1894
MINNEAPOLIS
AGENCIES IN 10 CANADIAN CITIES

Agricultural Credit Co. Plans to Fill Big Need In Farmer Financing

Beatty Plan For Intermediate Credits Announces Personnel

POWELL IS MANAGER

Former Head of Weyburn Bank to Guide Destinies of $3,000,000 Credit Concern

From Our Own Correspondent

MONTREAL.—Organization work of the Dominion Agricultural Credit Co. has been completed, according to announcement made by E. W. Beatty, president of the Canadian Pacific Railway. Subscriptions to over 60 per cent of the capital stock of the company have been received and the requisite steps to complete the organization have been taken.

Dominion Agricultural Credit Co. has a capitalization of $5,000,000 divided into 50,000 shares of $100 each. The aims of the organization are to provide capital for farmers desirous of going into mixed farming. The company, which is a private organization, has as shareholders both the Canadian Pacific and Canadian National Railways, banks, industrial enterprises, insurance companies and mortgage corporations.

Name McGregor President

While formal election of officers of the company remains to be held, it is expected that Hon. J. G. McGregor, Lieut.-governor of Manitoba, will be president, and H. O. Powell, vice-president and general manager.

Two additional directors, both from Western Canada, remain to be selected and the head office of the company will be in Regina. Following is a list of directors of Dominion Agricultural Credit Co.: Hon. J. D. McGregor, James Richardson and Allan S. Bond, of Winnipeg; Thomas Wood, of Elm Creek, Man.; A. E. Whitmore, of Regina; Robert Cruickshank, of Moose Jaw; Robert Shannon, of Saskatoon; Hon. Lt.-Col. J. H. Woods, of Calgary; C. M. Bowman, president of Mutual Life Assurance Company of Canada, Waterloo, Ont., J. W. Spears, assistant general manager Bank of Montreal, Winnipeg, and H. O. Powell, formerly general manager Weyburn Security Bank.

Suggested by E. W. Beatty

The idea behind Dominion Agricultural Credits Corporation was first suggested by E. W. Beatty, president of the Canadian Pacific Railway in an address given at London, Ont., in December, 1930. At that time Mr. Beatty suggested the propriety of the creation of an agricultural credit corporation to assist in extending mixed farming throughout the West where physical conditions permitted.

Subsequently at Winnipeg in an address before the Board of Trade of that city, Mr. Beatty elaborated on the scheme and pointed out that the formation of such a company should in no way be an attempt to meet or correct the unusual conditions of the present day, but that its policy would be one that could only become effective over a period of years and that rather than being a temporary expedient for the purpose of relief, it should rather be "a permanent piece of machinery introduced to the industry of agriculture with a view to developing and maintaining additional sources of revenue and sustenance from our farms."

Although details of operation will be in the hands of the newly-appointed board of directors, it is believed from various references made by Mr. Beatty in public addresses and before the standing Committee on Banking and Commerce at Ottawa, that the rate of interest for such loans will not exceed 6 per cent and that an additional charge for insurance and for handling livestock will be made. Loans of from $200 to $1,000 will probably be made, repayable probably in three years, the security to be in the form of a chattel mortgage on the livestock purchased. A suggested basis of diversity in livestock, might include under different conditions, from two to five cows, one or two sows, 25 to 100 hens, and wherever possible 20 to 50 ewes per individual farm. If such a plan is followed it would be along the lines of the Agricultural Credit Corp. of the United States which has been operating a similar plan in Minnesota, North Dakota, South Dakota and Montana since 1924.

Although a substantial part of the proposed capital stock of the company, namely, $5,000,000, was subscribed shortly after the plan was projected by Mr. Beatty, legal difficulties cropped up in that many trust, loan and insurance companies which had been asked to subscribe a substantial amount to the company, were unable to do so without special enabling legislation from Parliament legalizing this as an investment of their funds. This was done at Ottawa and by the Ontario Legislature and as a result a certain amount of money has since been subscribed by these institutions.

To Head Credit Corp.

H. O. POWELL

Formerly general manager of the Weyburn Security Bank who is to be vice-president and general manager of the newly-formed Dominion Agricultural Credits Corp., formed to supply revolving credits for the development of western agriculture.

Saskatchewan Loan Board Closes Shop

From Our Own Correspondent

REGINA. — The Saskatchewan Farm Loans Board has announced that it has discontinued lending. The sum of $2,500,000, appropriated for the use of the board at the last session of the legislature has been exhausted, and under present conditions, precluding repayment of principal on outstanding loans, no new funds are becoming available.

Since the establishment of the board, loans to the total amount of $17,000,000 have been made, of which $12,000,000 are currently outstanding. It is understood that the government of the province does not contemplate appropriating any more money for the use of the board. The offices of the board, however, will still remain open for the collection of money and for the supervision of existing loans.

It was originally believed that the appropriation of $10,000,000 for the use of the board would result in the establishment of a revolving fund, from which loans could continuously be made, an expectation not borne out by experience.

REVISION OF TAXES FAVORED BY BOARD

Winnipeg Electric Situation Analyzed by Utility Body

From Our Own Correspondent

MONTREAL.—Though the Municipal and Public Utility Board in dealing with Winnipeg Electric Company's application for release from the 5 per cent tax on gross earnings paid to the city and from the cost of paving charges, ruled that it had no power over these contractual matters, the Board took occasion to point out, in its judgment, that these charges are only nominally borne by the utility company and made some observations in favor of a revision of the tax on gross earnings.

An extract from the judgment of the Municipal and Public Utility Board follows:

"Every increase in fares (and fares have been correspondingly or more greatly increased all over the continent) intended to assist the Company to give the car riders continued and it was hoped improved service, has been a double burden upon the riders. The tax is a first charge of 5 per cent on the gross revenues; the result of this incidence is to impose on the riders, not only the amount of the fare increases but also a tax on that increase. The fare increase of 1930 manifestly given for "relief" of the Company, has already cost the car riders over $10,000.00 more by reason of the tax than they paid proportionately in former years.

"During the earlier years the utility was not required to pay this tax. From 1902 to 1913 the tax increased from $9,986 to $119,228—the greatest amount under the original fare schedule. Fares were increased in 1918 and 1920, mileage having in the meantime increased from year to year. The increase in the amount of the tax, as related to passenger carriage and mileage is indicated by comparison:

Year	Passengers	Mileage	Tax
1913 ...	59,600,000	8,339,848	$119,228.48
1927 ...	60,000,000	10,739,830	161,258.48
1928 ...	60,223,000	11,687,272	162,967.51

"This conclusively shows a tax increase on the basis of the same carriage of more than $40,000 a year. This increase on the same basis under 1932 fares cannot be less than $50,000. The municipal authorities, with their present responsibilities, can probably do nothing in the near future to lighten this burden. When the time comes for the problem to be considered the Board wishes to be on record as agreeing with newspaper editors, engineers and others who have recommended a revision of this tax, and recalls that in 1928 its members were part of a committee which reported to the Legislature on the taxation of public utilities to the effect that while lands should be taxed as other lands are, all other taxes should be consolidated and imposed on net rather than gross profits."

August Was Good Month For Mutual Relief Life

Mutual Relief Life Insurance Co. report new business issued and revived in August amounting to $273,340. Death claims paid during the month totalled $26,309, and the total insurance in force as at Aug. 31 was $22,029,569.

Family partnership in banking

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IMPERIAL BANK OF CANADA
HEAD OFFICE TORONTO
Capital and Reserve $15,000,000
Frank A. Rolph, President Sir James Woods, Vice-President
A. E. Phipps, General Manager
240 BRANCHES THROUGHOUT CANADA

National Pole Note Payment is in Doubt

Holders of the 6 per cent notes of National Pole & Treating Co. have been notified that it is unlikely that the $2,000,000 of notes outstanding will be redeemed when due on December 1, 1931. The company is a subsidiary of Minnesota & Ontario Paper Co.

A protective committee has been formed with H. R. Mosser as chairman, J. S. Otis and D. R. West, members. Holders are requested to deposit notes with Central Republican Bank & Trust Co., Chicago, depository, subject to further negotiations with the company and the receivers of Minnesota & Ontario Paper Co.

Harry Smyth, 209 So. La Salle Street, Chicago, has been appointed secretary of the committee.

No Injunction Granted Against Dominion Factors

From Our Own Correspondent

MONTREAL.—Injunction proceedings started by United Distillers, Ltd. of Vancouver, to halt a special general meeting of shareholders of Dominion Factors, Ltd., have been dismissed in the Superior Court. The special meeting was called to wind up Dominion Factors and petitioners sought to halt it on the ground that to wind up the company would be a direct violation of an agreement by which Dominion Factors was named selling agents for the majority of the Canadian distilleries.

Montreal Coke Purchases Coal from Nova Scotia

From Our Own Correspondent

MONTREAL.—Montreal Coke and Mfg. Co. has placed an order for 30,000 tons of coal with the Dominion Coal Co., which makes a total of 38,000 tons of Nova Scotia coal ordered this season.

Developments follow experiments with Nova Scotia coal at LaSalle, where Montreal Coke's plant is located, extending over a considerable period of time. The plant is stated to use about 400,000 tons of bituminous coal a year.

Trade Parley For Vancouver

Vancouver will be the rendezvous of the 1933 convention of the Pacific Foreign Trade Council, according to a statement of Mayne D. Hamilton, president of the Vancouver Board of Trade. The council consists of executive representatives of all the leading shipping firms, bankers and harbor authorities on the coast from Vancouver to Los Angeles.

Canadian Quotations—Cont'd

Winnipeg Grain Prices

Week to October 6

Crop Year from Aug. 14 High	Low		Open Sept. 30	High for week	Low for week	Close Oct. 5
		Wheat				
.70¾	.51	Oct.	.52½	.53⅜	.51¾	.53⅜
.56¼	.52½	Nov.	.54	.54⅞	.52½	.53¾
.67¾	.51½	Dec.	.54	.55¼	.52⅜	.53¾
.61⅛	.55⅛	May	.58	.59¼	.56⅜	.57⅝
		Oats				
.32	.26½	Oct.	.27½	.29¼	.27⅜	.28¼
.33½	.25⅝	Dec.	.28	.29	.27¾	.28⅞
.31⅞	.28	May	.30½	.31	.29⅞	.30⅞
		Barley				
.30⅞	.25½	Oct.	.29⅜	.30⅞	.29⅜	.30⅝
.33½	.25⅜	Dec.	.31	.31½	.30	.31
.36½	.32½	May	.34	.34½	.32½	.33½
		Flax				
1.25⅝	.92½	Oct.	.94	.96½		
1.27	.93½	Dec.	.96½	.98	.92½	.94½
1.21	1.00	May	1.02	1.04	.94	.96
					1.00	1.00½
		Rye				
.40⅝	.28	Oct.	.32½	.33	.33½	.32⅝
.42	.29⅜	Dec.	.33¾	.34½	.32⅝	.33¾
.38	.32½	May	.37	.37⅞	.36⅛	.37⅛

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week of October 6

High to date†	Low		Close Sept. 29	High for week	Low for week	Close Oct. 6
		Wheat				
.70½	.48⅜	Oct.	.50⅞	.50½	.48⅜	.49⅜
.70½	.50⅜	Dec.	.52⅞	.52⅜	.50⅜	.51⅜

†Since trading opened March 3.

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co., Limited, Canada Permanent Bldg., Toronto, Ont.

Provinces	Rate	Actual Maturity	Next. Int. Date	Approx. Price	Approx. Yield
Alberta..........	4½	1 Oct. 1958	1 Apr.	85.40	5.55%
Alberta..........	5	1 July 1943	1 Jan.	93.75	5.75%
Alberta..........	6	1 Apr. 1936	1 Apr.	100.78	5.80%
British Columbia.	4½	1 Oct. 1953	1 Apr.	92.12	5.10%
British Columbia.	5	15 Jan. 1948	15 Jan.	98.89	5.10%
British Columbia.	5	15 Aug. 1941	15 Feb.	104.98	5.35%
Manitoba.......	4	1 July 1947	1 Jan.	88.31	5.10%
Manitoba.......	5	2 June 1959	2 Dec.	98.53	5.10%
Manitoba.......	5	15 June 1943	15 Dec.	99.14	5.10%
New Brunswick..	4½	1 June 1948	1 Dec.	93.89	5.05%
New Brunswick..	4¾	15 June 1936	15 Dec.	98.80	5.05%
New Brunswick..	6	1 Jan. 1936	1 Jan.	103.22	5.10%
Nova Scotia.....	4½	15 Nov. 1948	15 Nov.	93.77	5.05%
Nova Scotia.....	5	1 May 1943	1 Nov.	99.14	5.10%
Nova Scotia.....	6	1 Nov. 1936	1 Nov.	103.70	5.15%
Ontario.........	4½	1 Sept. 1944	1 Mar.	95.26	5.00%
Ontario.........	5	15 Oct. 1948	15 Oct.	100.00	5.00%
Ontario.........	6	2 May 1936	2 Nov	103.58	5.10%
P.E.I...........	4	1 Apr. 1939	1 Apr.	92.92	5.15%
P.E.I...........	4½	1 Oct. 1944	1 Apr.	93.90	5.15%
Quebec..........	4½	1 May 1961	1 Nov.	88.50	5.00%
Saskatchewan....	4½	1 Oct. 1944	1 Apr.	89.94	5.60%
Saskatchewan....	5	1 Oct. 1950	1 Apr.	92.50	5.65%
Saskatchewan....	6	1 Feb. 1936	1 Feb.	100.59	5.85%
Cities					
Montreal........	5	1 Sept. 1963	1 Mar.	100.00	5.00%
Toronto.........	4½	1 Sept. 1954	1 Mar.	93.37	5.00%
Vancouver.......	4	1 Aug. 1946	1 Feb.	88.08	5.15%
Winnipeg........	5	1 Mar. 1944	1 Mar.	95.95	5.45%
Edmonton........	5½	1 May 1945	1 Apr.	98.60	5.65%
Calgary.........	5	1 Jan. 1943	1 Jan.	94.73	5.65%
Halifax.........	6	1 July 1951	1 Jan.	109.73	5.20%
Saint John......	5	15 Dec. 1950	15 Dec.	98.20	5.15%
Regina..........	4½	1 July 1950	1 Jan.	88.48	5.50%
Victoria........	5	21 July 1945	21 Jan.	98.03	5.20%
Quebec..........	5	1 June 1948	1 Dec.	100.00	5.00%

Mining Stock Quotations

Week Ending September 28

Par Val.	Range 1931 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
1	.23	.02½	Abana..........	2,500	.02½	.03	.03	.03
1	.08	.01	Aconda..........	......	.01	.....	.....	.....
1	.05½	.03½	Adrien..........	......	.04½	.....	.....	.....
No	.50	.12	Aldermac........	......	.25	.....	.....	.....
1	.20½	.11	Alexandria......	500	.13	.13	.13	.13
1	.05	.00½	Algonquin.......	33,000	.00½	.00½	.00	.00½
1	.02½	.01	Amity C.........	......	.01½	.....	.....	.....
No	.45	.12	Amulet..........	500	.16	.17	.14	.17
1	.02½	.00½	Apex............	......	.01½	.....	.....	.....
1	.05	.01	Area............	......	.01½	.....	.....	.....
1	.01	.00½	Argo. Cons......	......	.00½	.....	.....	.....
No	.08½	.01½	Arno............	8,300	.02	.02½	.02	.02
1	.01½	.01	Astoria.........	......	.01	.....	.....	.....
1	.02	.00½	Atlas...........	......	.00½	.....	.....	.....
1	.07	.05½	Bagamac.........	......	.06½	.....	.....	.....
1	.02½	.01	Baldwin.........	2,500	.01	.01	.01	.01
1	.19	.08	Barry Holl......	2,800	.09	.10½	.08	.09
No	1.45	.75	Base Metals.....	100	1.00	.90	.90	.90
No	.04	.00½	Bathurst........	1,000	.02½	.03	.03	.03
5s.	1.75	.60	B'Wana..........	......	.75	.....	.....	.....
1	.28	.25	Ben Nevis.......	......	.27	.....	.....	.....
1	.33	.18	Bidgood.........	600	.21	.21	.19	.19
1	.50	.10	Big Missouri....	8,325	.11	.11½	.10	.11
1	.05½	.04½	Blue Quartz.....	......	.04½	.....	.....	.....
1	.12	.01½	Bobjo...........	......	.03½	.....	.....	.....
No	.01	.00½	Boischatel......	......	.01	.....	.....	.....
1	.08	.01	Brett Trethewey.	......	.02	.....	.....	.....
1	.03	.03	Brit. Canadian..	......	.03	.....	.....	.....
No	.12	.02½	Brownlee........	21,500	.02½	.05	.02½	.03½
1	.02	.00½	Buckingham......	......	.00½	.....	.....	.....
	.21½	.19	Buffalo Can.....	4,300	.....	.21½	.19	.21½
No	.08½	.02	Bunker Hill.....	2,000	.03½	.03½	.03½	.03½
No	.03	.01	Cal. Flin Flon..	......	.01	.....	.....	.....
1	.02	.01	Cambro Kirk.....	......	.02	.....	.....	.....
No	.05½	.02	Canam Metals....	......	.02½	.....	.....	.....
1	.06½	.01½	Can. Kirkland...	108,500	.02½	.03½	.02½	.03½
1	.02	.02	Can. Lorraine...	......	.02	.....	.....	.....
1	.32½	.12	Canusa..........	71,350	.20	.28	.14	.22
1	.04½	.00½	Capital Rouyn...	......	.01	.....	.....	.....
1	.26½	.15	Castle Tre......	23,700	.22	.18	.15	.17½
1	.23	.03	Cen. Manitoba...	200	.08½	.08½	.08½	.08½
1	.17	.07½	Can. Patricia...	......	.07½	.....	.....	.....
1	.02	.01½	Champion R......	......	.02½	.....	.....	.....
No	.50	.02	Chib. Pros......	800	.05	.05	.05	.05
No	.08	.01½	Cleriey.........	13,500	.01½	.01½	.01½	.01½
5	10.50	2.50	Coast Copper....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	1.90	.80	Nipissing.......	4,950	1.30	1.45	.95	1.34
No	29.65	12.00	Noranda.........	51,148	15.10	15.10	12.00	12.00
	.50	.25	Nor. Canada.....	......	.27	.....	.....	.....
No	.03	.00½	Old Colony......	......	.00½	.....	.....	.....
	.01	.00½	Ophir...........	......	.00½	.....	.....	.....
	.10½	.02½	Oriole..........	......	.03	.....	.....	.....
	.21	.07	Osisko..........	200	.07	.08	.08	.08
	.25	.23	Parkhill........	......	.23	.....	.....	.....
	.15	.14	Patricia Dent...	......	.14½	.....	.....	.....
	.04	.01½	Pawnee Kirk.....	......	.02½	.....	.....	.....
No	1.61	.60	Pend Oreille....	1,850	.60	.63	.60	.60
1	.04½	.01	Pete. Cobalt....	4,000	.01	.01	.01½	.01½
	.25	.18½	Phoenix Molybd..	......	.25	.....	.....	.....
	.01½	.00½	Picard..........	......	.00½	.....	.....	.....
	.12	.05	Pioneer.........	......	.05	.....	.....	.....
	.02½	.00½	Porc. Crown.....	1,000	.01	.00½	.00½	.00½
	.02	.00½	Potter Doal.....	500	.00½	.00½	.00½	.00½
	.45	.30	Powell Rouyn....	......	.30	.....	.....	.....
	.99	.40	Premier Gold....	3,100	.54	.54	.40	.45
	.02½	.00½	Preston E. Dome.	......	.01	.....	.....	.....
No	.25	.07	Quemont.........	......	.08	.....	.....	.....
1	.06	.00½	Ribago..........	2,000	.03½	.04	.04	.04
1	.34	.24	Rich. Rock......	......	.33	.....	.....	.....
1	.15	.02	Ritchie.........	2,500	.03	.03	.03	.03
1	.15	.02	Ritch e.........	2,500	.03	.03	.03	.03
1	.04	.01	R. Montbray.....	......	.01	.....	.....	.....
1	.05	.04	Rubec...........	......	.04	.....	.....	.....
No	.36	.27	San Antonio.....	1,358	.30	.33	.27	.32
1	.21	.10	Seven Troughs...	......	.10	.....	.....	.....
1	1.25	.45	Sherritt Gordon..	5,380	.51	.58	.45	.51
1	.57	.36	Siscoe..........	12,675	.49	.49½	.49	.49
1	.18	.02	So. Keora.......	......	.03	.....	.....	.....
1	.05	.01½	Stadacona.......	45,000	.01½	.01½	.01½	.01½
No	.20	.03½	St. Anthony.....	......	.08	.....	.....	.....

Par Val.	Range 1931 High	Low	Company	Sales	Close Sept. 28 (or last)	High for week	Low for week	Close Oct. 5
No	.82	.35	Sud. Basin......	600	.40	.40	.40	.40
1	.03	.01	Sud. Contact....	......	.01½	.....	.....	.....
1	.03½	.00½	Sudbury Mines...	3,500	.00½	.00½	.00½	.00½
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
			WESTERN OIL STOCKS					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
			VANCOUVER STOCK EXCHANGE (Transactions for Week to September 30)					
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		.00½	Marmot Gold.....	......	.01	.....	.....	.....
50c	.01	.00½	Marmot Metals...	......	.00½	.....	.....	.....
25c	.00¾	.00½	Mohawk..........	......	.00½	.....	.....	.....
1	.25	.14	Montana Mines...	......	.17	.....	.....	.....
1	.05	.01	Morton Woosley..	......	.01	.....	.....	.....
50c	.03½	.01	National Silver.	10,000	.01	.01½	.01½	.01½
50c	.09½	.03	Noble Five......	35,300	.03½	.04½	.03	.04½
50c	.12½	.03	Oregon Copper...	......	.03	.....	.....	.....
1	2.70	1.23	Pioneer Gold, B.C.	4,530	2.30	2.25	2.05	2.07
No	.02	.00½	Premier Border..	......	.00½	.....	.....	.....
50c	.09	.03	Porter Idaho....	......	.05½	.....	.....	.....
No	.55	.20	Reeves McDonald.	......	.20	.....	.....	.....
1	.28	.11	Reno Gold.......	7,400	.20	.21	.18	.18
1	.04	.02	Rufus Argenta...	......	.02	.....	.....	.....
1	.07	.03½	Ruth Hope.......	1,500	.05	.04	.03½	.03½
1	.05½	.04	Silverado.......	......	.05½	.....	.....	.....
25c	.03	.00½	Silver Crest....	1,000	.00½	.00½	.00½	.00½
50c	.05	.00½	Snowflake.......	3,000	.01½	.01½	.01½	.01½
1	.45	.25	Sunloch.........	......	.25	.....	.....	.....
50c	.02½	.01	Topley Rich.....	......	.02	.....	.....	.....
5	.20	.05	Toric...........	......	.05	.....	.....	.....
20c	.01	.00½	Wellington......	......	.01	.....	.....	.....
1	.05	.02	Whitewater......	400	.02	.03	.03	.03
No	.03½	.00½	Woodbine........	......	.00½	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters....	$2.50+a	3.84	Premier...........	12c.	....
Dome Mines........	$1	11.1	Pioneer, B.C......	12c.	5.79
Granby............	$1	....	Royalite..........	50c.	....
Hollinger.........	65c.+5	14.00	Spooner Oils......	6c.	....
Howe Sound........	$2	....	Sylvanite.........	4c.	....
Inter. Nickel.....	40c.	4.77	Teck Hughes.......	60c.+5c.	11.81
Lake Shore........	$2+50c.	10.41	United Oils.......	5c.	....
McIntyre..........	$1	5.88	Wellington Oil.....	5c.	....
Mercury Oil.......	5c.	....	Wright-Har........	10+2½c.	4.80

a. Stock bonus 1 share for each 20 shares held.

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Imperial Tobacco Co. of Canada, Limited

Picobac
"The Pick of Canada's Burley Tobacco"
Grown in sunny, southern Ontario

C. P. R. Awards Contract for Harbor Construction

From Our Own Correspondent

MONTREAL.—The Canadian Pacific Railway has awarded a contract totalling about $400,000 for construction of various harbor facilities to replace those lost in the fire at Saint John in July this year. The present order calls for construction of new buildings for grain offices, electric battery charging plants, equipment for the care of passenger cars, and a cattle shed to accommodate 1,075 head.

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5-Year Fixed Trust Shares

This fixed investment trust terminates in 4½ years, but its special plan provides that if the aggregate value of the underlying stocks double the "base value" as of March 1, 1931, at any time thereto, the entire trust shall be liquidated and the proceeds paid to the shareholders.

Ask for descriptive circular describing this unusual investment

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4% INTEREST
Savings deposited with the Canada Permanent earn 4% per annum, compounded half-yearly.
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CANADA PERMANENT Mortgage Corporation
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Assets exceed $69,000,000

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Current Banking Events

Banks Add Strength To Current Position

Liquid Assets Mount as Business Tempo Slackens—Savings Again Show Increase

A further strengthening of the liquid position of Canadian banks to the extent of $18,000,000 represented by additions to government securities, call loans and bank balances abroad, and foreign currency is shown in the August return of Canadian chartered banks. A further gain of $17,000,000 in bank deposits is also shown of which nearly $10,000,000 has been added to savings deposits and the remainder to demand deposits.

Since January of this year important changes have taken place in the assets and liabilities of Canadian banks with the result that savings deposits are now some $35,500,000 higher than they were at that time and holdings of government securities are within $9,000,000 of their all-time high reached in June, which is nearly $150,000,000 more than at this time last year.

Foreign Currency Up

An interesting item not generally commented upon, but which takes on added significance at the present time is the $18,500,000 of U. S. and other foreign currency held by Canadian banks at the close of business on August 31. As the bulk of this is U. S. currency and a considerable amount is probably in circulation in Canada it will be interesting to note just how this item stands a month from now and whether or not there has been any liquidation of this coinage which is currently worth 10 or 12 cents more on the dollar than our own. Another interesting item is: "Deposit in Central Gold Reserves" which is up $1,700,000 to $27,530,000. Of this total only $13,631,000 is in gold coin and the balance is in Dominion notes which are of course equivalent to gold if one can but persuade the government to yield up gold in return for them (a difficult though not impossible task).

As is to be expected, business conditions continue to reflect a slow tempo, The Financial Post credit index for August (the ratio of current and call loans in Canada to demand and savings deposits in Canada) showing a further decline to 63.3 per cent as compared with 64 per cent a month ago and 74.4 per cent a year ago.

The Financial Post analysis of the bank statement is as follows:

ASSETS

Immediately Available Liquid Resources	Aug. 1931 $	July 1931 $	Change $	Aug. 1930 $	Change $
Specie	64,567,313	67,897,888	— 3,330,575	71,629,675	— 7,062,362
Dom. notes	98,994,321	99,108,654	— 114,333	100,073,707	— 1,079,386
Gold reserves	27,530,866	25,730,866	+ 1,800,000	46,830,866	— 19,300,000
Foreign banks	93,665,424	84,223,363	+ 9,442,061	94,456,199	— 790,775
Foreign curr.	18,466,944	16,465,790	+ 2,001,154	18,473,466	— 6,522
Govt. secs.	452,406,898	449,032,918	+ 3,373,980	303,992,474	+148,414,424
Call loans ab'd	109,665,579	104,532,465	+ 5,133,114	215,635,325	—105,969,746
	865,297,345	846,991,944	+ 18,305,401	851,091,712	+ 14,205,632
Loans and Securities Other Than Those of Canadian Government					
Public secs.	169,610,939	168,751,511	+ 859,428	101,948,913	+ 67,662,026
Railway secs.	78,967,511	76,033,892	+ 2,933,619	51,639,523	+ 27,327,988
Can. call loans	158,630,062	163,440,033	— 4,809,971	228,933,309	— 70,303,247
Current loans	1,127,280,857	1,125,736,164	+ 1,544,693	1,260,490,851	—133,209,994
Loans abroad	198,795,904	208,466,030	— 9,670,126	222,243,270	— 23,447,366
Prov. & mun. loans	136,762,285	131,109,616	+ 5,652,669	109,980,376	+ 26,781,909
	1,870,047,558	1,873,537,246	— 3,489,688	1,975,236,242	—105,188,684
Other Assets					
Non-curr. loans	9,456,587	9,185,428	+ 271,159	8,013,443	+ 1,443,144
Real estate	6,323,909	6,238,017	+ 85,892	5,485,477	+ 838,432
Mortgages	6,231,485	6,352,907	— 121,422	6,840,867	— 609,382
Premises	79,538,048	79,030,285	+ 507,763	78,595,010	+ 943,038
Lets. of credit	61,343,152	64,996,102	— 3,652,950	83,855,098	— 22,511,946
Loans to comp.	14,496,888	14,753,746	— 256,858	11,071,286	+ 3,425,602
Other assets	1,726,695	1,801,969	— 75,274	1,971,445	— 244,750
	179,116,764	182,358,454	— 3,241,690	195,832,626	— 16,715,862
Total	2,914,461,667	2,902,887,644	+ 11,574,023	3,022,160,580	—107,698,913
Note cir. dep.	6,807,497	6,834,017	— 26,520	6,783,944	+ 23,553
Int. bank bal.	112,681,584	105,676,772	+ 7,004,812	117,907,333	— 5,225,749
Gross	3,033,950,748	3,015,398,433	+ 18,552,315	3,146,851,857	—112,901,109
LIABILITIES					
To the Public					
Circulation	141,813,032	137,098,642	+ 4,714,390	166,154,609	— 24,341,577
Dom. Gov't.	10,540,890	20,003,165	— 9,462,275	35,785,169	— 25,244,279
Prov. Gov't.	26,141,550	25,959,635	+ 181,915	25,518,295	+ 623,255
Gov't. advances	6,500,000	7,500,000	— 1,000,000	24,200,000	— 17,700,000
Deposits by Public					
Demand dep.	568,462,418	561,274,437	+ 7,187,981	598,178,476	— 29,716,058
Savings dep.	1,461,091,577	1,451,275,655	+ 9,815,922	1,404,118,280	+ 56,973,297
Total	2,029,553,995	2,012,550,092	+ 17,003,903	2,002,296,756	+ 27,257,239
Foreign dep.	331,596,171	330,635,497	+ 960,674	384,818,790	— 53,222,619
Due to Banks Abroad, Etc.					
Un. Kingdom	9,306,962	6,586,930	+ 2,720,032	8,611,009	+ 695,953
Foreign	64,976,742	64,510,809	+ 465,933	58,932,764	+ 6,043,978
Bills payable	5,932,531	5,234,534	+ 697,997	6,262,460	— 329,929
Lets. of credit	61,343,152	64,999,101	— 3,655,949	83,855,098	— 22,511,946
Other liab.	2,850,886	2,835,857	+ 15,029	3,980,451	— 1,129,565
Public liab.	2,690,555,911	2,677,914,262	+ 12,641,649	2,800,415,401	—109,859,490
Due bet. banks	12,739,019	11,135,075	+ 1,603,944	11,459,750	+ 1,279,269
Liability to Shareholders					
Dividends	3,523,914	1,355,896	+ 2,168,018	3,538,866	— 14,952
Reserve	162,000,000	162,000,000	....	160,893,549	+ 1,106,451
Capital	144,500,000	144,500,000	....	144,786,926	— 286,926
Gross	3,013,318,844	2,996,905,233	+ 16,413,611	3,121,094,492	—107,775,648
Credit Index*	63.3%	64%	— 0.7%	74.4%	— 11.1%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

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Insurance in force over $600,000,000

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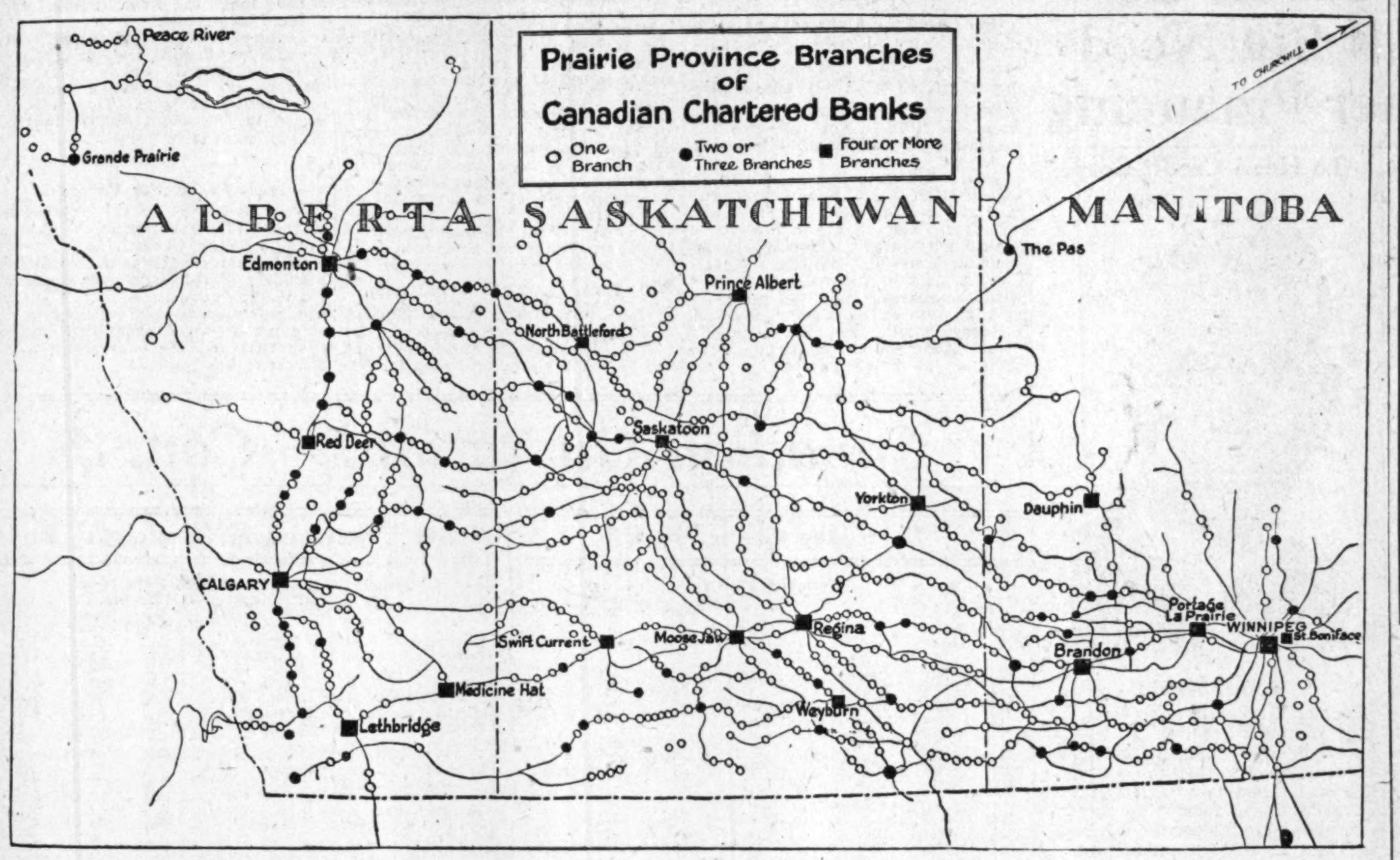
Vast Network of Banks Serve Prairie Provinces



Few business men either in the West or the East, realize the tremendous ramifications of the Canadian chartered bank system across the prairie provinces. By special arrangement with the Winnipeg office of one of Canada's leading banks, The Financial Post has prepared this chart to show in graphic form where these 900 odd branches are located.

BANK PAYMENTS TO SHAREHOLDERS $1,920,000 LESS

Omission of Bonuses to be General, States Beaudry Leman

The omission by Canadian chartered banks of customary bonuses will entail a reduction of $1,920,000 in the amount paid out to shareholders this year by these institutions. Regular dividend payments will be maintained, however, and a total of $17,500,000 will be distributed in this way.

The statement that bonuses would be omitted by all banks this year was made by Beaudry Leman, president of the Canadian Bankers' Association, following the announcement by the directors of the Imperial Bank that the usual 1 per cent bonus would not be paid. The action of this institution as a criterion of the probable trend was envisaged by The Financial Post in a recent article.

Since only six of the ten banks have made a custom of paying a bonus, the statement that regular dividends will be fully maintained would imply that no cuts will be made by the Banque Canadian Nationale, the Bank of Nova Scotia, the Provincial and Barclay's (Canada). Of these, the Nova Scotia has just paid its final quarterly dividend for the year of 4 per cent, maintaining the usual rate of 16 per cent per annum.

Distribution Shown

The total of bank dividends to be disbursed this year will therefore be distributed as follows:

Bank Dividends, 1931

	Reg. Div.	Regular Dividend	Former Bonus
Commerce	12	3,600,000	300,000
Dominion	12	840,000	70,000
Imperial	12	840,000	70,000
Montreal	12	4,320,000	720,000
Nationale	10	700,000	....
Nova Scotia	16	1,920,000	....
Provincial	9	360,000	....
Royal	12	4,200,000	700,000
Toronto	12	720,000	60,000
		17,500,000	1,920,000

The statement issued by Beaudry Leman during last week was as follows:

"In common with other financial institutions, the net earnings of the chartered banks will not be as large in 1931 as in the prosperous years of the immediate past. In addition to ordinary dividends, six of the ten banks in recent years have paid a bonus of 1 per cent or 2 per cent on paid-up capital. This year no payment will be made in the form of a bonus by the banks that had adopted such method of distribution of profits, but regular dividends, I am informed, will be fully maintained."

Weekly Bank Clearings

Eastern Cities

	Oct. 2, 1930	Oct. 1, 1931
Halifax	$ 3,790,773	$ 2,867,812
Saint John	2,624,094	2,193,133
Moncton	1,081,000	785,729
Quebec	7,292,574	6,064,867
Ottawa	6,932,400	5,447,377
Kingston	1,197,418	856,544
Peterboro	889,214	677,800
Toronto	141,397,072	100,799,616
Hamilton	10,620,733	5,042,627
Kitchener	1,367,800	1,017,976
Brantford	1,178,352	686,568
London	3,832,416	3,517,422
Chatham	626,024	425,100
Windsor	3,154,869	2,360,498
Sarnia	682,807	405,592
Sudbury	995,125	692,165
Sherbrooke	760,186	610,845
Montreal	143,591,916	124,901,572

Western Cities

	Oct. 2, 1930	Oct. 1, 1931
Fort William	$ 809,181	$ 559,940
Winnipeg	69,438,069	36,484,591
Brandon	628,143	469,481
Regina	6,588,172	3,978,700
Saskatoon	2,657,054	1,495,050
Prince Albert	603,437	457,365
Edmonton	6,901,227	4,873,232
Calgary	9,831,963	5,151,970
Medicine Hat	354,748	231,878
Vancouver	18,635,835	16,154,174
New Westminster	1,119,929	669,359
Victoria	2,701,655	1,836,447
Lethbridge	606,061	386,580
Moose Jaw	....	579,606

Monthly Bank Clearings

Eastern Cities

	Sept., 1930	Sept., 1931
Halifax	$ 15,011,142	$ 12,685,836
Saint John	10,112,394	9,645,999
Moncton	4,432,168	3,247,220
Sherbrooke	3,465,099	2,835,515
Quebec	27,390,774	21,394,279
Ottawa	29,160,129	24,412,164
Montreal	486,455,552	427,687,363
Kingston	3,845,896	3,263,176
Peterboro	4,127,320	3,030,651
Toronto	477,824,453	576,107,699
Hamilton	24,168,802	19,871,566
Brantford	4,446,345	3,664,268
London	13,049,487	11,548,942
Chatham	2,452,250	1,717,943
Windsor	13,655,349	9,957,307
Sarnia	2,824,254	1,810,940
Sudbury	4,613,194	2,789,651

Western Cities

	Sept., 1930	Sept., 1931
Fort William	$ 3,859,231	$ 2,804,023
Winnipeg	240,169,094	167,161,688
Brandon	2,317,427	1,737,132
Regina	24,804,424	16,523,218
Moose Jaw	4,679,691	2,694,394
Prince Albert	2,061,446	1,463,004
Edmonton	23,332,457	15,564,165
Calgary	37,152,686	23,441,667
Medicine Hat	1,560,385	1,106,293
Lethbridge	2,606,261	1,735,975
Vancouver	80,489,129	61,552,923
New Westminster	3,714,067	2,488,255
Victoria	10,173,607	7,511,685

Branch Banks Honeycomb Prairie West

If Prairie farmers are inclined to criticize the Canadian chartered banks for their attitude on loans at the present time, they may at least be thankful they still have a banking system to serve them in view of the tremendously high mortality rate of country and urban banks in the United States at the present time.

In order to visualize just what coverage was being given the Prairie provinces by Canadian banks, The Financial Post has prepared the accompanying map which tells in an amazing manner how the 914 branches of eight chartered banks are honeycombed across the Prairies.

Unfortunately no accurate figure as to the amount of money that has been invested by these banks in their Prairie province properties, is available, but a rough computation made with the assistance of a banker who knows the situation well, places the total investment at something like $35,000,000. This money of course is invested in the actual physical properties and is quite apart from monies loaned and otherwise invested in the three provinces.

It is unfortunate that the Canadian banks do not make more effort to give publicity to matters of this sort, since there can be no doubt but that they are thoroughly proud of their Prairie-wide banking coverage.

Bank Chat

W. E. McDONALD, formerly assistant manager of the St. John's, Newfoundland, branch of the Bank of Nova Scotia has been appointed manager at Summerside, Prince Edward Island.

HARVEY WEIDNER, after six years on the staff of the Hanover branch of the Royal Bank of Canada, has been transferred to the Yonge and Bloor Branch, Toronto.

The Bank of Montreal announces the following staff appointments:

J. B. WALLACE, of the Superintendent's Dept., Toronto, is appointed manager at Bloor St. and Windermere Ave., Toronto.

J. D. MOLSON, manager at Westmount, P.Q., has gone on leave prior to retiring on a pension.

J. L. MINORGAN, formerly accountant at Tweed is appointed manager of the Aultsville, Ont., branch.

T. CARLISLE, formerly of head office, has been appointed manager at Westmount, P.Q.

E. S. J. MARTIN, manager at Peterboro, has gone on leave prior to retiring on a pension.

G. M. LYONS, of the Superintendent's Dept., Toronto, is appointed manager of Highgate, Ont., branch.

A. H. BRIDEN, formerly manager at Highgate, Ont., is appointed manager at Blenheim, Ont.

G. K. TINNEY, former manager of the Blenheim, Ont., branch, is appointed to Superintendent's Dept., Toronto.

W. C. MORLEY, formerly of the staff of Battleford, Sask., branch is appointed manager at Rose Valley, Sask.

A. S. FERGUSON, former manager at Rose Valley, Sask., is appointed manager at Bromhead, Sask.

A. B. MOORE, of the staff at 44th Ave. and Fraser St., branch, Vancouver, is appointed manager at West Point Grey, Vancouver.

J. SCOTT, of the staff at Main and Hastings Sts., Vancouver, is appointed manager of the branch at 44th Ave., and Fraser St.

A. REX MacDONALD, of the supervisor's department of the Royal Bank, has been appointed manager of the branch of the Royal Bank at Chippewa.

Merger of U. S. Banks Involves $2,000,000,000

Consolidation of the Bank of America with the National City Bank is announced by the heads of the two institutions today. Total resources will closely approach those of the Chase National Bank, the largest banking organization in the world.

This plan, it is explained, follows out the decision announced recently by the Transamerica Corporation—which holds 63 per cent interest in the Bank of America—to divest itself of controlling interests in banks.

National City Bank reported resources of $1,976,140,595 as at June 30, while the Bank of America's assets totalled $338,300,313. The total branches operated by the two institutions at that time amounted to 89.

Com. Travellers' Mutual Joins Confederation Life

Confirmation has been given by the Dominion Commercial Travellers' Mutual Benefit Society of the transfer of the society's undertakings, assets and liabilities to the Confederation Life Association, as reported in The Financial Post last week.

The reason given for this step is the severe competition in the life insurance field, the board finding it impossible to offer its members the numerous advantages such as cash surrender values, paid-up insurance and loan privileges which are embodied in the policies offered by life companies, with the result that the society's membership, which in 1915 numbered 1,462 had last year dropped to 878.

New certificates will be issued to the members by the Confederation Life Association as soon as legal details are completed.

Insurance for Buyer and Seller

HEAVY DECLINE IN HAIL VOLUME SEEN THIS YEAR

Premiums at Lowest Ebb in Decades—Alberta Loss High

The lowest premium volume written in decades is the chief feature of hail insurance losses in Western Canada this year which completed its "season" a few weks ago. Member companies of the Canadian Hail Underwriters Association with headquarters at Regina, report that the total volume written is only about 20 per cent of last year or about $700,000. Only three years ago the volume was over the $7,000,000 mark while average premium income for the past ten years has been over $5,000,000.

Alberta suffered the heaviest loss which is expected for that province to run between 150 and 200 per cent. Practically all the losses were in the north, a feature being the large number of small losses which are very unsatisfactory from the insurance company point of view.

New Underwriting Rules

Alberta's experience this year will in all probability lead to a further revision of underwriting rules for 1932, toward obtaining general use of the deductible clause similar to that which was in effect for the first time in Saskatchewan this year. In all probability an attempt will be made next year to issue a 20 per cent deductible policy and also to bring into effect a 25 per cent minimum loss clause. Saskatchewan had a 10 per cent deductible clause in most areas this year. The deductible policy means that if a policy is written for $1,000 the policyholder bears the first $100 of loss, if a 10 per cent clause is used, or the first $200 if a 20 per cent clause is in effect. This is similar to what has been tried with considerable success in the automobile field under collision policies.

Furthermore the association feels that member companies must get away from a valued policy to a policy for indemnity. At the present time hail policies are written on the $1,000 basis with the farmer having the option of valuing the crop from $5 to $20 per acre. An indemnity policy would merely indemnify the farmer for the actual cash loss occasioned by hail rather than pay the face value of the policy. This is also something which has been done in recent years in connection with automobile policies.

Municipals Affected

Municipal hail associations have suffered a like loss in volume of business. Last year in Alberta the Hail Insurance Board had $11,000,000 of business at risk while this year the volume is down to $1,600,000. One factor responsible for this is the fact that while last year crops were valued for hail insurance purposes at $10 an acre, this year the valuation was $6. Then, of course, the acreage was cut to about 25 per cent of last year. Premium rate is not fixed until the end of the crop year but it is expected that the rate will be under 10 per cent or about $150,000 as compared to a rate of 16 per cent last year.

Insurance Inklings

LEIGHTON McCARTHY, K.C., president of the Canada Life Insurance Co. has been appointed to the board of governors of the University of Toronto.

J. A. COLLINS, of Edmonton, one of the high producers of the North American Life Assurance Co., recently attended that company's convention at Minaki Lodge. Mr. Collins has held office in the company's production clubs many times in past years.

Dominion of Canada General Insurance Co. announce the following staff changes:

J. CECIL STUART, Manager of the Montreal branch becomes general superintendent at head office, Toronto.

LYLE L. ROOKE, manager of the Eastern Ontario branch at Ottawa becomes manager of the Montreal branch.

B. G. GRANT, inspector at Ottawa has been appointed in charge of the branch there.

ALEX. FRASER, of the Montreal branch becomes secretary there.

R. W. HERRING has been appointed adjuster at the Montreal branch.

HOMER J. HALE, manager of the Central Ontario branch of the Canada Life Co., at Hamilton, is now in charge of an extended territory which includes a total of eleven counties.

VERNON C. HALE, for the past five years assistant manager, at Hamilton, of the Canada Life branch office, has been appointed Associate Branch Manager.

Licenses Issued

Department of Insurance at Ottawa announces the issuance of Dominion licenses as follows:

The Lumber Mutual Fire Insurance Co., of Boston, Mass.—To transact fire, sprinkler leakage, tornado and explosion insurance; insurance against loss or damage, other than to growing crops, by hail. E. D. Hardy, Ottawa, is Canadian chief agent.

Royal Insurance Co. Ltd.—In addition to classes already authorized, to sell insurance against damage to property or persons caused by breakdown of machinery.

Metropolitan Life Mgr. Named for N. Y. Post

Among several staff changes and appointments recently announced by the directors of the Metropolitan Life Insurance Co., of New York, is one of particular interest to Canadian insurance circles. Henry E. North, general manager of the Canadian head office and third vice-president of the company has been recalled to the home office in New York to fill a newly created position, that of director of sales promotion and field education.

Mr. North first joined the company in 1913, becoming deputy superintendent in 1914, superintendent in 1917, and superintendent of agencies in 1921 in New England, and the southwestern territory. He came to Canada in 1925 as superintendent of agencies and was subsequently appointed third vice-president in charge of the Canadian office.

North American Life Co. Vacates King St. Premises

North American Life Assurance Co. has now vacated its old headquarters at 112 King Street West, Toronto, in preparation for the razing of the building, and have taken up occupation of the Ogilvie Building at Bay and Wellington Streets. The work of wrecking the King Street building will be commenced in about three weeks, by which time all the tenants will, it is expected, have vacated the premises.

Contract for the erection of the company's new building has not yet been let, but the plans are now practically completed and will be ready for the contractors in the course of the next week or so.

INCREASES
Assets over $10,000,000.00
The Cash Income for the first eight months exceeds that of the same period last year.
There has been a substantial increase in the amount of the Company's assets.
Policyholders are applying for additional policies.
The face value, the loan value, the surrender value of life insurance contracts has not suffered any depreciation.
The MONARCH LIFE ASSURANCE COMPANY
HEAD OFFICE—WINNIPEG

Paving the Way to College
An adequate education is the best, perhaps the only thing a father can give his son.
But it will be priceless.
How to make it possible? That is the question which perplexes so many anxious fathers.
The College Policy of the SUN LIFE ASSURANCE COMPANY OF CANADA assures such an education. It provides that a pre-arranged sum shall be available year by year during the boy's college course. Modest annual deposits spread over a long period will provide for the necessary fees and maintenance.
Details furnished on application.
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

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There is safety for your Valuables—a safety deposit box costs little to rent
The Royal Bank of Canada
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SURPLUS TO POLICYHOLDERS
Agents! Increase your volume by writing our non-assessable policies at lower rates and under reinsurance treaties with Lloyds, of London, Eng.
ASSETS EXCEED $1,500,000.00
Prompt settlements from Branch Offices
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Western Canada's Oldest Mutual
Over $230,000.00 deposited with the Dominion Superintendent of Insurance.
The Portage la Prairie Mutual Insurance Company
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Head Office, Portage la Prairie, STRATTON WHITAKER, Manager
ONTARIO Dominion Bank Building, Toronto
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ADEQUATELY Protect Your Family
CHARTERED TRUST AND EXECUTOR COMPANY knows whereof it speaks when it advises you, in your Will, to name a Trust Company Executor thereof and Trustee thereunder. Modern requirements pertaining to estates demand that such advice be heeded in order to adequately protect your family.
Chartered Trust and Executor Company suggests that it avails a man but little to create an estate for his family during his lifetime if it is dissipated by inefficient management after his death.
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132 St. James St. West, Montreal, Que.
President: JAMES Y. MURDOCH, K.C.
Vice-Presidents: W. S. MORDEN, K.C. JOHN J. GIBSON and Gen. Mgr.
Secretary: E. W. McNEILL

Canadian Pulp and Paper Industry

CANADA POWER SHAREHOLDERS MEET SHORTLY

Deposit Date is Extended to October 10

From Our Own Correspondent

MONTREAL.—Meetings of the 21 classes of security holders of Canada Power and Paper Corp and subsidiary companies, are scheduled to be held on October 19 and 29, and November 5 and 6. The first meeting will be the Canada Power and Paper shareholders on October 19.

The meetings will be largely routine in character. Stock which has already been deposited will be voted by the committee at these meetings, in whom voting power has been vested. Approval of individual holders, in an average of more than 90 per cent of the total outstanding, has already been offered in the deposit of securities, but must be formally registered by vote.

Dates of Meetings

Following are the dates on which meetings will be held: October 29, Canada Power and Paper Corp. debenture holders, Port Alfred Pulp and Paper and St. Maurice Valley Corp. preferred and common shareholders and shareholders of Wayagamack and Laurentide.

November 5: bondholders of St. Maurice, Port Alfred and Wayagamack, and Belgo preferred and common shareholders. November 6, Belgo and Anticosti bondholders and Anticosti preferred and common shareholders.

Extend Deposit Date

Since the first meeting is on October 19, the Securities Protective Committee has formally extended the time for receiving deposits to October 10, 1931. This will regularize a large number of deposits received since August 31, the date of expiry of the last extension, and will enable the issue of certificates of deposit under the plan for these securities. It will also allow deposit of shares and securities still outstanding, thereby enabling a generally uniform system of distribution of the new securities with the minimum of delay and expense.

The committee points out in a letter being sent out with notices of the meeting, that the relatively small number of undeposited securities now constitutes in effect a delaying factor only, and prompt deposit or alternatively the giving of proxies will constitute an appreciable contribution toward the early installation of the new company.

Depositors Cared For

To comply with legal requirements and for the purpose of information, notices of meetings are being sent to all registered bondholders and shareholders. It is stated that no action is necessary on the part of those who have deposited their securities, as the committee will attend meetings on behalf of depositors and vote the securities and shares to accomplish the object of the reorganization plan.

Bondholders' meetings will be held at the offices of the Montreal Trust Co., trustee under the various bond deeds, while other meetings will be held in the offices of the company itself.

After the last of the meetings, which will be held in rapid succession, and all the technicalities of the law have been complied with, bonds and common stock of Consolidated Paper Corp. will be issued for securities of the constituent companies of Canada Power and Paper Corp.

PULP INDUSTRY OUTPUT DROPPED IN PAST PERIOD

Quantity and Value Showed Decline in 1930

From Our Own Correspondent

MONTREAL.—Pulp manufactured in Canada decreased in quantity and value last year, the largest decrease taking place in pulp made for sale in Canada. There was also a decrease in pulp made for own use and for export, according to preliminary figures issued by the Dominion Bureau of Statistics.

In 1930 there were 81 mills manufacturing pulp in Canada, of which 32 confined their output to pulp alone, the remaining 49 being pulp and paper mills. The combined production of all mills was 3,619,345 tons, valued at $112,355,872 in 1930. This compared with 4,021,229 tons in 1929 having a value of $129,033,-154 representing a decrease of 10 per cent in quantity and 12.9 per cent in value.

Both Divisions Decline

Of the total for 1930, the combined pulp and paper mills produced 2,741,310 tons valued at $70,-308,009 for their own use in paper making. A total of 108,028 tons valued at $4,991,471 were made for sale in Canada while 770,007 tons, valued at $37,056,392 were made for export.

Exports of wood pulp from Canada in 1930 amounted to 750,220 tons, valued at $39,059,979. This compared with 830,848 tons in 1929 valued at $40,367,984.

Pulpwood Output Lower

Production of pulpwood in 1930 was also lower, amounting to 5,977,183 cords, having a value of $67,529,612. This compares with 6,536,335 cords in 1929 valued at $76,120,063.

Of the total production last year, about 77 per cent was manufactured into pulp in Canadian pulp mills, while the remaining 22 per cent was exported to the United States. In 1929, 19.8 per cent of total production was exported, while the actual quantity of pulpwood exported unmanufactured also showed an increase. Exports of pulpwood in 1930 amounted to 1,-330,466 cords, valued at $13,611,617.

Pulp and Paper Holds Industrial Leadership In Production Values

Figures, However, in 1930 Lowest in Four Years

NEWSPRINT HELPS

Capital Invested in Whole Industry Showed Gain of 11.3 Per Cent Over 1929

From Our Own Correspondent

MONTREAL.—Despite declines in gross and net production, the pulp and paper industry still remained the most important manufacturing industry in Canada in 1930 and headed the list for gross and net values of manufactured products as well as for distribution of wages and salaries. In total capital invested, it was second only to electric light and power plants, while in total number of employees, it was second only to sawmills.

It was in 1922 that Canadian pulp and paper industry exceeded the sawmills in wage and salary distribution to top the list, and it has been first in gross value of products since 1925, when it superseded the gross value of flour mill production.

An interesting feature of a preliminary report on the pulp and paper industry issued by the Dominion Bureau of Statistics is the fact that the industry's gross contribution toward a favorable trade balance in 1930 was approximately $176,506,583.

Production Was Lower

Adverse conditions in the industry are reflected in figures covering gross production of pulp and paper in 1930. This amounted to $215,674,264 a decrease of 11.6 per cent from the figure of 1929. Following are gross values of manufactured products of the pulp and paper industry for the last five years. It will be noted that 1930 figures are only fractionally higher than those of 1926:

1926	$215,370,274
1927	219,329,753
1928	233,077,236
1929	243,970,761
1930	215,674,246

The above figures represent the sum of the values of pulp made for sale in Canada, pulp made for export and paper manufacture. They do not include pulpwood nor the pulp made in combined pulp and paper mills for their own use in making paper.

Mills Totalled 77

In 1930 there were 77 mills making paper in Canada and they produced 2,926,787 tons of paper, valued at $173,626,383 compared with 3,197,149 tons in 1929, valued at $193,193,022, a decrease of 8.5 per cent in quantity and 10.1 per cent in value.

Newsprint accounted for 85.3 per cent of the total reported tonnage of paper manufactured in 1930. Newsprint amounted to 2,497,952 tons valued at $135,181,883 compared with 2,725,331 tons in 1929, valued at $150,800,157. This represents a decrease of 8.3 per cent in tonnage and 9.7 per cent in total value.

The report points out that Canadian production of standard newsprint was 95 per cent greater than that of the United States during 1930. For the first eight months of 1931, Canadian output was estimated at $1,485,823 tons, or 90 per cent greater than that of our nearest competitors in the world's newsprint market.

Exports Were Lower

Exports of paper and paper goods in 1930 were valued at $138,-440,242 compared with $154,919,-122 in 1929. These exports were made up chiefly of newsprint of which 2,331,010 tons valued at $133,280,932 were exported for the most part to the United States. Canada's exports of newsprint are now second only to her exports of wheat and are greater than the newsprint exports of the rest of the world.

The 1930 newsprint exports represented a decrease in quantity and in total value from 2,515,495 tons valued at $148,865,648 which were exported in 1929.

Capital Investment Large

Taking the industry as a whole, the total capital invested in 1930 was $714,437,104 compared with $644,773,806 in 1929, an increase of 11.3 per cent. The total number of employees on salaries and wages in pulp and paper mills in 1930 was 33,207 and the total payroll was $45,774,976 compared to 33,584 employees in 1929 with salaries and wages amounting to $50,214,445.

Net Production Value

The net value of production is one of the best indications of the relative importance of the manufacturing industry. It represents the difference between the values of raw material and finished products. In the pulp and paper industry it is obtained by subtracting from the gross value of production, the sum of the values of pulpwood and chemicals, etc., used in pulpmaking, and pulp, chemicals, etc., used in papermaking. The pulp made in combined pulp and paper mills for their use in papermaking has been reckoned in the report as a stage of manufacture and is not included either as a product of the pulp mill or a raw material at the paper mill.

In the net value of production, the pulp and paper industry has headed the list since 1920 when it replaced the sawmills. Figures covering the last five years follow:

1926	$130,004,809
1927	134,516,673
1928	144,586,815
1929	147,096,012
1930	133,681,991

In manufacturing operations there was a net loss of two mills making pulp only in 1930. There was a net gain of three combined pulp and paper mills, while there were no changes in the mills making paper only. Accordingly, there was a net gain of one establishment for all groups in the industry as a whole. These comprised 81 mills manufacturing pulp and 77 mills making paper.

Quebec is Leader In Paper Output

From Our Own Correspondent

MONTREAL.—Quebec led all provinces in production of paper in 1930 by a substantial margin, and of the 2,926,-787 tons made in Canada, 1,-536,240 tons were manufactured in Quebec. Ontario was second with 911,695 tons, while British Columbia mills produced 252,730 tons of paper.

All other provinces, comprising Nova Scotia, New Brunswick and Manitoba had a combined production of 226,122 tons last year. Following are comparative figures covering quantity and value of paper production by provinces in 1930:

	Tons	$
Quebec	1,536,240	90,668,181
Ontario	911,695	56,251703
B. Colum.	252,730	14,134,251
All others	226,122	12,572,248

BELGO-CAN. BODY DROPS EFFORTS FOR NEW AWARD

Says Final Decision is Up to Shareholders

From Our Own Correspondent

MONTREAL.—The special committee of the Belgo-Canadian Paper preferred shareholders, which was named some months ago to deal with the award made to this class of securities by the Securities Protective Committee under the reorganization plan of Canada Power and Paper Corp., has notified Belgo preferred shareholders that it leaves them to judge for themselves whether or not to deposit their shares or to embark in litigation at their own risk and expense. The committee states that to obtain the award which in its opinion preferred shareholders are entitled to, it would now be necessary to resort to litigation for which it does not wish to assume responsibility.

Since the Securities Protective Committee has announced that a very substantial number of the preferred shares have already been deposited with it, under the scheme of reorganization, the Belgo committee considers it extremely probable that the majority legally necessary to vote approval of the scheme can be mustered at the special general meeting of shareholders, which has been called to consider the matter.

Get Three New Shares

In the plan of reorganization, one share of Belgo preferred stock was awarded three common shares of Consolidated Paper Corp. The special committee was appointed and made representation to the Securities Protective Committee for a larger award, basing their claim on the report of a firm of chartered accountants. The claim, however, was rejected by the Securities Protective Committee.

In a letter to shareholders the special committee of Belgo preferred shareholders comments on the situation in part as follows:

"For the information of the Belgo preferred shareholders we wish to state that in accordance with the report made by Messrs. Price Waterhouse & Co., the Belgo Canadian Paper Co., Ltd., was entitled to a bond issue of 16.9 per cent on the basis of calculations and valuations used by the Securities Protective Committee. The actual issue of bonds to the Belgo Canadian Paper Co. under the plan of reorganization is 16.4 per cent. This amount according to our opinion is sufficiently close, but we wish to point out that this percentage of 16.9 per cent of Belgo's valuation of the total has been arrived at by giving a value to all standing pulpwood owned by Canada Power & Paper Corp. of 60c per cord irrespective of location and consequent cost of bringing wood to the mill, also what we consider an extremely excessive value to the white pine timber; and furthermore the St. Maurice Valley Corporation has we think been given an over-valuation of $4,531,060 on the two paper machine units installed in an annex to the Belgo mill, on which unit the Belgo Co. made a capital expenditure of $1,270,000 which the Securities Protective Committee has apparently entirely ignored in their calculations.

"Had the St. Maurice Valley Corp. been credited with the actual amount spent only on this two machine unit, and had Belgo Co. been credited with the disbursements it made on account of same, amounting to $1,270,000, then the Belgo Co. would have been entitled to a bond issue of 19.5 per cent.

"Had this been done and even if all other inter-company accounts had been disregarded Belgo preferred shareholders would have been entitled to at least $40 face value income bonds for each preferred share, plus a substantial number of no-par-value shares in the new company, according to the report made by Messrs. Price, Waterhouse and Company."

B. C. Pulp and Paper Operate New Barker

From Our Own Correspondent

MONTREAL.—The new barker of the British Columbia Pulp and Paper Co. has been installed and is in active operation at the company's plant at Port Alice, B.C. According to official statements, the company is experiencing some of the difficulties which confront a pioneer in any field as regards the use of its barker, but despite this fact it has the new machine in daily production and many problems have been ironed out.

The barker, which is reported to be one of the largest in the world, is capable of handling logs ten feet long with a diameter up to 22 inches. The entire project was installed at a cost of about $100,000.

B.C. Lumber Industry Exports

A report of the Lands Department of British Columbia shows a marked improvement in the condition of the lumber industry of the Pacific coast province during the present year to date as compared with the similar period of 1930; Great Britain's lumber purchases having risen from 25 per cent to 47 per cent of her Pacific coast importations. The purchases in question have amounted to 60,000,000 feet.

HIGHWAY DEBT AT $326,600,000 MAKES NEW HIGH

Provinces Spent $93,000,-000 to Maintain, Construct Roads in '30

COVERED 20,000 MILES

Highway Activities 20 Per Cent Greater Than in '29 Though Revenues Up Only 4 p.c.

Canadian provinces spent $70,-000,000 on capital expenditures to highways during 1930 according to data prepared and published this week by the Dominion Bureau of Statistics, Ottawa. During the same period $23,100,000 was spent on maintenance of primary and secondary highways. This expenditure brings total provincial debt outstanding at the end of the year and chargeable to highways, $326,-660,000 and is exclusive of any debentures issued by counties, townships, or other municipalities for highway purposes.

Total highways open to traffic at the end of 1930 reached the new high figure of 394,372 miles of which 80,500 miles was surfaced road. On the Canadian total, 88,-328 miles were provincial roads the remainder being county, municipal township or local. A year previous total mileage open for traffic was 390,000 miles, 72,000 miles of which was surfaced. According to the new figures, however, mileage constructed or converted from other types during 1930 totalled 20,000 miles of which 12,200 miles was provincial highway. This is an increase of 66 per cent over the highway programme of 1929 when only 12,100 miles were constructed or improved.

Revenues up 4.3 Per Cent

On the other side of the highway ledger, total revenues from motor vehicle registrations and gasoline tax received by the various provinces during the year, were $42,-821,000, a 4.3 per cent increase over 1929. Of this total, $20,166,-000 came from registration fees (a decline of nearly 10 per cent) while the gasoline tax netted $22,-655,000 an increase of nearly 21 per cent. The reduction was largely due to a reduction in fees in Ontario where the average passenger automobile fee was reduced from $10.54 to $5.87 the total reduction in all revenues was $2,460,000. In Saskatchewan a reduction in the number of passenger automobiles registered and a lower rate of approximately $5 per vehicle resulted in a reduction of $452,000.

In Alberta there was a drop of $55,000 in fees from operators' licenses which were issued for the first time in July, 1929, and also sales of trucks and cars also declined. Reduction in the amount of gasoline consumed was also noticed in all the western provinces, but due to higher rates prevailing through the entire year, 1930, than was the case in 1929, total revenue increased in all provinces except Alberta where revenue was down nearly 10 per cent. The tax is now 5 cents a gallon in all provinces, Saskatchewan being the last province to make the increase.

Comparative data for the various provinces are as follows:

Capital Expenditures & Maintenance, 1930

	Cap. Expenditure	Maintenance	Highway Debenture Debt
P.E.I.	190,000	145,000	1,300,000
N. S.	2,808,554	2,055,824	20,828,870
N. B.	7,328,285	993,864	20,516,450
Que.	10,092,281	5,108,690	36,227,000
Ont.	20,049,497	7,626,684	147,118,627 (Ont. and No. Ont.)
No. Ont.	5,975,639	2,114,853	
Man.	3,080,739	734,328	13,839,833
Sask.	9,437,007	745,398	28,645,587
Alta.	5,574,952	1,080,746	24,793,356
B. C.	5,461,279	2,497,480	33,389,255
Total	69,998,233	23,102,817	326,658,255

Gasoline Consumption & Tax, 1930

	Total Consumption Gals.	Gas. Tax Collected $
P. E. I.	2,567,328	128,366
N. S.	17,518,709	851,725
N. B.	13,982,400	659,797
Quebec	83,231,068	4,075,368
Ontario	239,058,108	10,756,836
Manitoba	21,627,672	1,099,778
Saskatchewan	31,248,449	1,538,556
Alberta	35,789,985	1,939,048
B. Columbia	34,530,673	1,605,751
Total, 1930	479,554,392	22,655,225
1929	......	18,744,968

WILL INVESTIGATE PULPWOOD LOSSES

Pulp and Paper Association Conducts Survey

From Our Own Correspondent

MONTREAL.—Losses of pulpwood through deterioration in block piles and in other storage are being investigated by the Technical sections of the Canadian Pulp and Paper Association, with a view to finding means for minimizing the loss of wood through decay.

It has been decided that the Forest Products Laboratories of Canada, which is co-operating, will conduct a survey of pulpwood in block piles and in water storage at several representative pulp and paper mills in Eastern Canada, to find out the approximate amount and the nature of wood decay as related to the length of time in storage, storage conditions, kinds of woods, etc. Samples will be taken for pathological studies as well as for small cooking tests.

A suggestion to organize field experiments on the deterioration of sound pulpwood in experimental small piles under various conditions has been accepted. The work will require several years for its completion and will be conducted by the Dominion Bureau of Plant Pathology in co-operation with one of the pulp and paper companies in the membership of the Canadian Pulp and Paper Association.

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MILLING ACTIVITY IN JULY SHOWED FURTHER GAINS

Plants Operated at Best Rate This Year

From Our Own Correspondent

MONTREAL.—Further gains in activity and output were recorded by Canadian flour mills in July. Plants operated at 47.1 per cent of capacity, the highest rate to be recorded this year, and a gain over the 43.7 per cent shown for June operations. In July, 1930, however, flour mills operated at 48.4 per cent of capacity.

Production in July this year amounted to 1,319,008 barrels, an increase of 198,000 barrels over the previous month, but a decrease of 117,000 barrels from July, 1930. Production in July this year, however, was the highest to be recorded in any month in 1931.

Total Output Down

Total production of Canadian flour mills in the first seven months of this year was 7,971,777 barrels, which is still below the figure for the same period last year when output was 8,644,196 barrels. Despite the increase in July production, exports were lower at 466,967 barrels compared with 490,294 barrels in June.

In the first seven months of this year, exports totalled 3,132,225 barrels compared with 4,045,340 barrels in the same period of 1930, a decrease of 913,115 barrels. Exports are a vital factor in operations of the milling industry and the decline this year is indicative of the difficulties surrounding flour milling operations.

Rolled oats production showed a sharp gain at 12,272,542 pounds compared with 9,528,397 pounds in June, while output of oatmeal at 690,259 pounds was lower by about 879,000 pounds.

Roofing and Wallboard Output Gained in 1930

From Our Own Correspondent

MONTREAL.—Unlike the paper pulp and paper industry, production of roofing paper and wallboard in 1930 showed an increase over 1929. Value of production last year was $6,111,663 compared with $5,473,990 in the previous year.

Capital invested in the industry showed an appreciable gain totalling $7,439,641 as against $5,347,233 in 1929 though the number of establishments reporting to the Government Bureau of Statistics remained unchanged at 11.

These establishments purchased 14,673 tons of felt and other paper valued at $953,029 and 6,555 tons of paperboard valued at $288,669. They also purchased 160 tons of wrapping paper valued at $19,625 and $1,391,-075 worth of chemicals, surfacing materials and other supplies.

Products of the industry comprise composition roofing in rolls, composition shingles and slates, saturated felts and sheathings, composition sidings, building paper, and insulating and construction wallboards of all kinds. The figures given above refer to operations of plants whose principal product was roofing paper or wallboard made principally of paper and paperboard.

Lumbering Operations in Nfld.

International Power and Paper Co. is about to commence lumbering operations at Hawkes Bay and Brig Bay, and will cut about 15,000 cords of pulpwood in each of these bays, according to a recent report from Newfoundland.

TOBACCO NEEDS SHOW REDUCTION DURING AUGUST

Cut Tobacco Sales Show Increase in Eight Months

From Our Own Correspondent

MONTREAL.—Declines in cigarettes, cigars and tobacco released for consumption in Canada in August are revealed in figures published by the Dominion Bureau of Statistics when compared with July. The only gain to be recorded is in cut plug tobacco which showed a slight increase over the July figure.

The reduction is largely seasonal; figures covering the first eight months of the current year are interesting to shareholders of Imperial Tobacco Co. which supplies the greater portion of the Canadian smoking needs.

Cut Tobacco Gains

Cigarettes released for consumption from the beginning of the year to the end of August show a substantial reduction; cigars have fallen off sharply though gains in cut tobacco have been maintained.

Following are figures covering various tobacco products entered for consumption in Canada in the first eight months of the current year with comparisons:

	1931	1930
Cigarettes	3,091,479,940	3,386,134,591
Cigars	92,078,459	112,096,951
Cut tobacco, lbs.	10,729,643	10,201,935
Plug tobacco, lbs.	3,637,421	4,055,908

Cigarettes Show Decline

In August there were released 425,138,580 cigarettes, a drop of nearly 50,000,000 compared with July and a slightly greater reduction as compared with August, 1930. Demand for cut tobacco also showed a decline and there was entered for consumption in August, 1,449,103 pounds compared with 1,468,877 pounds in the previous month. Both these figures, however, are ahead of August, 1930, when they stood at 1,322,441 pounds.

Cigars, which have showed an increase in the two previous years for August dropped off this year to 12,860,616 compared with 14,-091,692 in July while cigars reentered for consumption in August, 1930, totalled 17,944,831.

Plug Tobacco Rose

Plug tobacco was the only division to record a gain and rose by 16,000 pounds to 469,793 pounds in August. This, however, was about 83,000 pounds below the total for August, 1930.

Imports of foreign raw leaf in August amounted to 1,283,479 pounds a decline of 45,000 pounds from July, they were also lower than August, 1930, by 199,000 pounds.

Plans For $3,000,000 Bridge Over Fraser River Approved

Plans have been approved by Ottawa for the construction of a $3,000,-000 bridge across the Fraser River from a point near Ladner, B.C., to Deas Island which will provide a direct arterial outlet from Vancouver to the Peace Arch at Blaine.

The entire steel structure will be 1,117 feet in length, and the bridge will have a lift bascule of 300 feet with a vertical clearance of 160 feet, carrying a roadway thirty feet wide with one five-foot sidewalk. Work on the project, for which financing is complete, will start within thirty days. It is expected that when construction work is at its height nearly 2,500 men will be employed.

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Editorials that inform
Have you read them this week on page 6?

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont
Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

The Canada Power & Paper Corporation
Total Daily Capacity of Plants:
2,464 Tons of Newsprint
130 Tons Pure Kraft Paper
130 Tons Pure Sulphate Pulp
also producing
CARDBOARD, INSUL BOARD, WRAPPER and SULPHITE and GROUNDWOOD PULPS
SAW MILLS AT PEMBROKE, ONT., producing White Pine, Red Pine and Spruce Lumber Pickets, Laths, etc.—Annual Capacity of 25,000,000 F. B. M.
Successor and Operating Company of
Belgo-Canadian Paper Company Limited, Shawinigan Falls, Que.
St. Maurice Paper Company Limited, Cap de la Madeleine, Que.
Laurentide Company Limited, Grand'Mere, Que.
Laurentide-Ottawa Company Limited, Pembroke, Ont.
Port Alfred Pulp and Paper Corporation, Port Alfred, Que.
Wayagamack Pulp and Paper Co. Ltd., Three Rivers, Que.
Anglo-Canadian Pulp and Paper Mills Limited, Quebec, P.Q.

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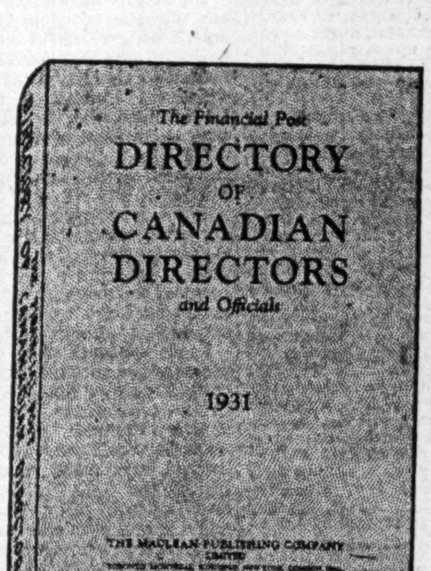

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Canadian Mining News

SYLVANITE MINES DEEP EXPLORATION NEARS OBJECTIVE

Wright-Hargreaves Developments Assisting Sylvanite's Programme

CASH POSITION GOOD

Ore from No. 4 Shaft Vicinity Raises Grade Treated — Company Profits from Discount

Sylvanite Gold Mines, in the Kirkland Lake area, is steadily proceeding with its deep development programme and its No. 2 shaft is now down to 2,700 feet, on its way to the 3,000 foot horizon, an official in Buffalo informed The Financial Post last week.

Sinking is being continued at the rate of about 80 feet per month, but no lateral work will be undertaken below 2,000 ft. until the 3,000-ft. objective is reached. Stations have been cut at intervals of 125 feet below the 2,000-ft. level.

The encouraging results being obtained from the Wright-Hargreaves property, immediately adjoining to the west, have inspired confidence that the ore-bearing formation encountered below its 2,250-ft. level may be also encountered at deeper depths on the Sylvanite property. It is planned to start cross-cutting on the 3,000-ft. level when the shaft is completed, since by starting on the lower workings first, a better knowledge can be gained for attacking any ore that is above, thus avoiding unnecessary expense.

Are Stoping Now

At the present time, stoping is being carried on at the 2,000-ft. level on the South vein, toward the westerly end, which is the leanest section, yielding about $7 ore. On the 1,000-ft. level, in the South vein, an ore shoot 150 feet long, over a mineable width, averaging $8 per ton, has been encountered, while ore from the vicinity of the No. 4 shaft is sweetening up production, since it averages around $14 per ton. The South vein is known to have a large quantity of marginal ore, that is, ore that approximates operating costs. This ore can be treated at a profit, if exploration expenses in other parts of the mine are not charged to operations. It is planned, upon completing the immediate development programme, when expenses will be reduced, to mine this section which will provide substantial tonnages of commercial ore.

It is less than a year since initial dividends of two per cent per share half yearly were inaugurated. Although the company has been carrying out an extensive development programme, it has been steadily increasing its liquid position and currently it has assets, principally in Canadian bonds, valued approximately at $585,000.

Net profits are running at the rate of over $20,000 per month, ample to meet dividend requirements.

A neat profit was recently made by transferring approximately $160,000 on deposits in Buffalo banks to Canadian banks, thereby taking advantage of the premium on New York funds.

SMELTERS BOOKS FERTILIZER ORDER FROM HAWAIIAN IS.

Largest Pineapple Grower in World Buys Chemical Fertilizer

Consolidated Mining & Smelting Co. recently negotiated an important contract to supply chemical fertilizers to the Hawaiian Pineapple Co., the largest pineapple producers in the world. The main office of this company is at Honolulu and its principal property consists of practically the entire island of Lanai, the sixth largest of the Hawaiian group.

Lanai has an area of approximately 139 square miles, or about 90,000 acres. The total land owned by the company, suitable for the growing of pineapples, is approximately 38,000 acres, of this total amount, 20,000 acres is on the island of Lanai and 18,000 acres on the island of Oahu. Irrigation is not necessary, the natural supply of water being adequate for plant growth.

The company completed a new pineapple cannery in 1929 with a capacity of a quarter of a million tons of fresh fruit annually. The production canned since 1922 has been mounting steadily, and in 1930 more than tripled that of 1922. In 1930, 4,577,091 cases were canned, representing 157,210 tons of fruit.

Consolidated Smelters is expanding actively its new fertilizer business, particularly in the Western Hemisphere. In addition to the pineapple contract, it is understood, it has also secured some important contracts in India. The new plant only went into production on a commercial basis this year, but production next spring is expected to reach a daily rate of approximately 450 tons.

BULLETIN ISSUED ON PLACER MINING

B. C. Department of Mines Prepares Review of Placer Activities

The British Columbia department of mines has just issued bulletin No. 1, for 1931, on placer mining activities in British Columbia.

Early in 1930 the B. C. department of mines prepared a bulletin entitled "Placer Mining in British Columbia," which contained reports of special examinations of placer areas made in the field during the season of 1929. Owing to the interest in placer mining this bulletin became exhausted and the present one was prepared supplementing the previous information and bringing the activities up to date.

The new bulletin is available by applying to the British Columbia Department of Mines, Victoria, B.C.

Teck-Hughes Mines To Pay 5 Cent Bonus

Fourth Quarterly Statement Shows Earnings Down From Previous Quarter—Year's Net Profit About 69 Cents

Teck-Hughes Gold Mines has announced its regular quarterly dividend of 15 cents per share plus a bonus of five cents per share, payable on November 1, to shareholders of record, October 17.

This will bring the total dividend distribution for the calendar year to 65 cents. For the fiscal year, which ended August 31 last, the distribution amounted to 60 cents.

While the annual report is not yet available, an official statement of earnings for the fourth quarter of the fiscal year ended August 31, shows profits estimated to be $863,078, or equivalent to 18 cents per share, bringing net profits for fiscal year to 69 cents. This compares with an estimated net profit in the third quarter of $979,105, or a decrease in the fourth quarter of $116,027.

Gross income in the fourth quarter amounted to $1,598,545 as compared with $1,757,762 in the third quarter.

The decline in gross recovery may be attributed to the announced policy of officials in treating ore as encountered in the mine, rather than maintaining the previously announced policy of keeping mill heads around $18 per ton.

According to Ontario government reports, the three months period, ended June 30 last, showed a total recovery of $1,671,891, or an average recovery of $14.51 per ton, as compared with $1,512,167 for the three months ended March 31, when the recovery averaged $17.25.

There is little to guide one in comparing the government figures with the quarterly statement of the company since the quarters do not terminate on the same date, but it is deduced that the grade of ore, as treated in the last fiscal quarter, was somewhat below that treated in the previous quarter.

Work has started toward deepening the south shaft from 3,600 feet to 6,700 feet. It is the intention, as this shaft is deepened, to establish main haulage ways every fifth level. It will require about two years time to complete this shaft deepening programme.

The following is a comparative income statement for the third and fourth quarters of the fiscal year.

	Quarters ended Aug. 31 1931 $	May 31 1931 $
Gross income	1,598,545	1,757,722
Total oper. costs	563,028	582,897
Net earnings	1,035,517	1,174,825
Less estim. taxes	88,653	118,874
Net oper. earn.	946,863	1,055,951
Estim. deprec.	83,785	76,846
Net profit	863,078	979,105
Earn. per share	$0.18	$0.204

GOLD IS NEEDED MORE THAN EVER, SAYS MINISTER

Hon. Chas. McCrea is Optimistic on Future For Gold

The possibility of Canadian gold mining being adversely affected by present economic conditions was described as "very remote" by the Hon. Chas. McCrea, minister of mines for Ontario, in a statement issued last week.

Mr. McCrea gave a very reassuring statement affecting the gold producers. He was of the opinion that the changes that had taken place in the world's economic situation have worked out for the benefit of Ontario's gold producers. His message in part is as follows:

"The gold mines of Canada are contributing over a million dollars' worth of gold weekly to the world's supply. Of this production, three-quarters is derived from the mines in Ontario. They constitute an exceedingly important industry and one that is enlarging at a time of general contraction. They produce something which is vitally needed to correct the condition from which this country, and the world at large, is suffering, and the welfare of the gold mining industry should be close to the hearts of all the people in the country. Gold has been, is, and shall be the king metal of the world. It speaks for itself in the markets of the world.

"Instead of gold bullion becoming less valuable, it would appear to be more desirable than before. Great Britain and other countries which have taken action which is described as going off the gold standard, have actually taken steps to prevent further loss of the precious metal and are endeavoring to restore their former reserves. There seems little danger of United States with nearly five billion dollars' worth, or France, with another huge total, doing or permitting anything which would lessen the worth of their enormous holdings, such as sanctioning any scheme of demonetization.

"Nor is it likely that the British Empire, which produces three-quarters of the world's gold, and possesses billions of dollars' worth of ore, will propose anything which will diminish the value of these great resources.

"Both United States and Great Britain have been off the gold standard in previous times of stress, yet gold has never lost its desirability nor its usefulness. There is nothing in the situation which should discourage prospectors in their search for new discoveries, nor cause gold miners to restrict their activities. On the contrary, we will likely find that both activities will be accelerated. The exchange premium represents just so much extra profit for the gold mines and Ottawa authorities agree that the mines are entitled to any profit they could make by selling their gold outside Canada, just as are the producers of paper, wheat, or any other exportable material."

March Gold Re-Finances By 7% Bonds

March Gold plans making a $150,000 bond issue to settle all of its outstanding obligations.

The new issue is to be in 7 per cent cumulative, five-year, sinking fund, gold bonds, issued at par. The proceeds from the bond issue are intended to pay off the mortgage on the property, bank loan and other debts outstanding to enable the company to consolidate its obligations and to carry out its plan of development without being pressed as at present.

Officials hope that at the end of five years the company will be in such a position financially that it can retire its bonded indebtedness.

The company's property in Porcupine is equipped with a 250-ton daily capacity mill. Production in 1930 amounted to $356,256, which enabled the company to do little more than break even on expenses owing to the low grade of the ore treated. Production in the first two quarters of the current year averaged around 165 tons daily, the value of gold recovery per ton being from $365 to $390.

Recent production is said to have been from a better grade ore, encountered in drifting on the 425-foot level, west of the dyke. This new ore shoot is reported to have shown considerable promise and further exploration work is to be undertaken in this western section.

Siscoe Gold Mines Has Record Month

Production in September by the Siscoe Gold Mines established a new record with an output valued at $83,624, as compared with the previous high record of $82,437 in July.

The average value of the ore treated in September was $16.26 per ton. The total value of production for the nine months of the current year was $577,720 as compared with $367,256 for the whole of 1930.

Officials of the company left for the property in North-western Quebec last week and upon their return it is the intention to publish a resume of the operations this year to date.

PROJECT PLANNED FOR DISTRIBUTING GAS NOW WASTED

Turner Valley gas now largely wasted will be piped to distant markets, if the plans of the Hon. Herbert Greenfield, former premier of Alberta, are carried out.

Mr. Greenfield is of the opinion that a pipe line project can be financed in either Great Britain or the United States, which would permit of the marketing of Alberta gas to distant markets, thereby ending the curtailment plan now proposed as a conservation menace.

Producers in Turner Valley have been interviewed and an agreement has been drafted for presentation to all independent companies, representing about 53 per cent of the total natural gas production in the field.

No details have been worked out, but it is believed by the sponsors that such a programme of distribution is practical and that gas can be transmitted to United States points provided the consent of the Alberta Government can be obtained and also as far west as Vancouver.

The conservation programme as proposed by the investigating committee of the Alberta Government has not yet come into effect. Tests are being conducted to ascertain the respective flows of the various wells, and to determine which wells can be most economically closed in, and which ones from which production can be most effectively taken.

Long distance gas distributing schemes are not new, but the capital cost of the pipe lines necessary has, in the past, defeated such projects in Western Canada. Not only are the markets within reasonable distances limited, but the uncertainty as to the life of the field has enhanced the risk and until more definite knowledge of the available production is ascertained, leading engineers look upon such undertakings as exceedingly hazardous.

Coniagas Transfers Cobalt Assets to New Subsidiary

At a special general meeting of shareholders of Coniagas Mines, held in Toronto last week, approval was given for the sale of the company's property in and about the Town of Cobalt, to a new subsidiary of the company, to be known as the Cobalt Properties, Ltd.

The new company has a capitalization of $25,000 in $1 par value shares, and all but the five qualifying directors' shares are now owned by Coniagas.

The action of Coniagas in transferring its property assets to the new company bears no particular significance except that it facilitates its handling of these properties, principally rented to Cobalt residents.

Dome Mines Production $286,000 in September

According to advice from New York the gold production in September by the Dome Mines amounted to $286,000 as compared with $302,000 in August and $299,000 in July.

The reduction in output is principally accounted for by September having 30 days, while July and August have 31 days.

Metal Prices

New York—October 6:
Copper: Electrolytic spot, 7c lb.
London—October 6:
(Long Ton)
Copper: Electrolytic spot, £40 10s.: future, £41.
£41. Standard spot, £33 2s. 6d.; future, £34 2s. 6d.
Tin: Spot, £123 7s. 6d.; future, £127 10s.
Lead: Spot, £12 15s.; future £13.
Zinc: Spot, £11 15s.; future, £12 10s.
Silver: 16⅞d. per ounce.

COPPER CHIEFS PLAN CONVENING IN N. Y. SHORTLY

Leading Copper Executives Meet to Adjust Output to Markets

The postponed conference of representatives of the copper producers of the world is scheduled to be held in New York City some time this month.

The meeting was adjourned some time ago owing to the inability of the representatives of the Union Minière Du Haut Katanga, of Belgian Congo to attend. It is now understood that two representatives of this firm, Ferdinand Pisart, and Camille Gutt, are now en route to New York.

The Roan Antelope Copper Mining Co. and the Rhokana Corp., the former just starting into production and the latter completing construction preparatory to production, will be represented. A. Chester Beatty, chairman of the Roan Antelope Copper Mines, and Sir Auckland Geddes, is expected to represent the Rhokana Corp.

The impending production from Africa has been a serious factor in any attempts to adjust production and the presence of the African executives is taken to mean they will lend their assistance to a curtailed production programme.

Messrs. Pisart and Gutt attended the copper conference here last November, when world production was curtailed about 15 per cent. Sir Auckland Geddes, and Mr. Beatty, however, never took part in copper conferences held here from time to time in the last year. Roan Antelope, which has been producing copper only since the beginning of this year, is now estimated to be turning out about 6,000,000 pounds a month. Rhokana is not scheduled to begin production until the end of the year.

The growing importance of mining properties in Africa, which are mostly low cost producers, is said to have rendered imperative the participation of the African producers in the forthcoming conference. Copper authorities here have said that it would be of little advantage to the American and Canadian companies to curtail output if the African companies expand activities during the depression in the industry.

Representatives of the International Nickel Co., Noranda Mines, and the Hudson Bay Mining and Smelting Co., the leading Canadian concerns, are also expected to take part in the conference, as well as representatives of the principal American companies.

As several American copper companies own large interests in mines in Rhodesia, the problem of reconciling the views of important producers may be simplified, copper executives state.

The conference will mark the first attempt since last June to put the supply of copper in line with the demand. At that time all efforts failed. Since then copper has declined to 7 cents a pound, the lowest price in history and well below cost of production. Stocks of copper have continued to accumulate, and some copper executives have urged a complete shutdown of mines for several months.

U. S. EXPERTS UNDERESTIMATE CANADA'S GOLD

Gross Errors Made in Prognosticating Gold Output

Press despatches last week quoted United States experts as saying that Canada would "shortly" surpass the United States in gold production and that by 1940, they estimated Canada's gold production would be up to $46,500,000 annually. The statement was further elaborated on by stating that by 1933 it is expected that Canada's gold production would be $42,100,000 as against that of United States of $41,000,000.

Such misleading statements are difficult to understand except on the theory that they neglected to refer to official figures. In 1930 Canada's gold production was valued at $43,453,601, whereas the production of the United States, without the Philippines, was substantially lower than this. The production of gold in Canada in 1931 will at the current rate of production be around $56,000,000. These production figures are available from our government sources to all who care to inform themselves. It appears that an increase of 30 per cent in gold production by Canada in 1931 borders on the incomprehensible for United States statisticians, who nonchalantly estimate Canada's production to reach the figure of $46,500,000 nine years hence, a figure already $10,000,000 low, as evidenced by current production.

The apparent source of the misleading figures supplied to the daily press by Washington experts is the gold report of the League of Nations, based on curves worked out by statisticians who have failed to watch what is going on in Canadian mines.

Ginseng Crop Brings High Price

About 45,000 pounds of ginseng was produced in Canada last year, practically all in the Waterford, Ont. area. This root has a high value the export price averaging $12.50 per pound or $25,000 per acre. Last year's crop therefore had an export value of some $370,000, China being almost the sole market, the root being highly prized there for its medicinal value.

Eldorado Report Is Coming Soon

OTTAWA.—Report of Department of Mines, Ottawa, on the property of Eldorado Gold Mines, in the Great Bear Lake district, has been completed by the mining engineers sent by the government to investigate the district. The report was this week given to Hon. Wesley Gordon, minister of mines, and when approved by him will be made public.

B. C. GOLD FINDS REFLECT ACTIVITY IN PROSPECTING

Intensive Search Follows Discovery That Older Areas Still Promising

Reflecting the general activity in the exploration for gold in the former producing areas of British Columbia, reports are now being made, almost daily, of some new find.

This activity is widespread, and it is significant that so many districts are responding to the renewed activities. Dean R. W. Brock, of the University of British Columbia recently said that gold to the value of millions of dollars is still to be found in the Cariboo country. The Cariboo area is but one promising section.

Well Worth Prospecting

The Cariboo is well worth further prospecting, says Dean Brock, who observes that while the bulk of the production from the Cariboo to date has been from creeks within a few miles of Barkerville, this must not be taken to prove that these creeks contained more gold than all others, but only that their gold was more accessible. He points out that rich concentrates were found near the head of Cedar Creek, one mile from Quesnel Lake, and that perhaps this was the richest patch of ground so far located in the Cariboo. Cedar Creek demonstrates not only that there are rich gravels yet to be discovered, but that there are shallow, easily worked gravels that have escaped the eye of the old-timers, even where there was a clue that might be followed up.

A report by the provincial mineralogist on Rainbow Creek placers, Omineca mining division; a report on the present conditions and future possibilities in the Atlin district by Dr. J. T. Mandy, resident mining engineer, Prince Rupert, and a report by Douglas Lay, resident mining engineer, Hazelton, on the Manson Creek region, and certain promising hydraulic operations now in hand, all emphasize the importance of these areas.

An increase in the production of placer in B. C. was recorded last year, and estimates show that there will be a further increase this year. Preliminary figures show that larger amounts of gold are being recovered in the Atlin country, and prospectors are doing well with pan and rocker along the Fraser, Thompson, Similkameen and other rivers. Bars which have been inoperative for years have been developed and in the old placer camps many old diggings are being reworked. This is due partly to unemployment in other fields which has attracted men to gold mining and exploitation.

Yukon Strike

The discovery of a highly mineralized gold quartz-bearing area at Livingstone Creek, on the headwaters of the Big Salmon River, in Southern Yukon, is drawing a rush of stampeders from all parts of the Yukon and Alaska. Mining men from Juneau, Skagway, White Horse, Dawson and other Yukon points have been moving to the scene to stake ground.

Prominent mining men who have kept their eyes on the field are Livingstone Wrenecke, of the Treadwell-Yukon Silver Mines; Frank Manley, of San Francisco; Charles Crawford, of Seattle, and H. C. Tuttle, of Tacoma.

A number of old-timers have been "cleaning up" consistent gold stakes in the Livingstone Creek district during the past two seasons. It is reputed that over $1,000,000 in gold was taken from Livingstone proper in the early days.

The assumption here is that this gold was washed down from the mountain, which is now being explored, as the gold is of a glaciated nature.

The most recent strike reported comes from the Pouce Coupe district, situated at the end of steel of the Northern Alberta Railway. The find is said to have been made north of the Dr. Gunther placer find at Nation River, last summer. A report was made by the Alberta Government on the area, which adds strength to the importance of the discovery.

Cunard and White Star Abandon Second Class

Cunard and White Star lines have announced the abandonment of second-class passages on their express liners in favor of the increasingly popular tourist accommodation, with effect from Oct. 1. This decision brings the Cunarders Aquitania and Berengaria in line with the Mauretania, while the Majestic, the Olympic and the Homeric, of the White Star line, are also on a similar footing.

This action will, it is stated, definitely mark the end of second class accommodation as far as these two companies are concerned, it being contended that this class is doomed to the same fate as second class on the British railways. Tourist passengers on the Cunarders are now afforded the use of six decks, comprising a luxurious range of public and private rooms.

Tourist travel has developed to such an extent since 1924 that in the intervening period the Cunard Line alone have carried over 200,000 tourist passengers, a record of 42,000 having been carried in 1930.

Turner Valley Drilling Report

Wells Drilled by Imperial Oil

Progress Report—Week Ending October 2, 1931

Name of Well	No.	Type	Depth Last report feet	Present depth feet	Feet drilled	Remarks
Sterling Pac.	2	R.	4416	4528	112	Drilling in sand.
S. W. Pete.	2	R.	5407			Rolling out casing at 2191 ft.
Lethbridge	1	S.	3738	3738		Standing cemented.

Note: R.—Rotary. S.—Standard.

PHOENIX MOLYBD. BEING EQUIPPED FOR PRODUCTION

Corporation is Preparing to Produce; None Now Mined

Phoenix Molybdenite Corp. is busy constructing a 50-ton daily capacity concentrator, preparatory to starting production operations.

The company's property, consisting of approximately 200 acres in Bagot township, Renfrew county, about seven miles south of Renfrew, has been under development intermittently since the incorporation of the company in 1923. This summer it acquired the milling plant of the old Renfrew Molybdenite Corp., which is now being removed and set up at the company's property, known as the Paterson mine. The new mill will be powered by electricity furnished from a transmission line three-quarters of a mile distant.

Molybdenum occurs on the company's property in a series of veins which are stated to average approximately five per cent molybdenite, a sulphide of molybdenum. The development work has been confined largely to test pits, but a shaft has been sunk to a vertical distance of 65 feet. It is now planned to deepen this shaft and to carry out underground work. Several test shipments of high-grade ore have been made to the testing laboratories at Ottawa and the company's officials are confident a profit can be made from operations.

The product of the mill will be a concentrate running from 85 to 90 per cent molybdenite.

The current market price of molybdenite is around 35 cents per pound and officials of the company say arrangements have been made with English and German firms to take their entire production. The gross value of ore, running five per cent molybdenite, would be approximately $35 per ton. At the present time there is no molybdenite being produced in Canada. In 1929, 15,150 tons of ore was treated having a value of $6,040, but this represented the first production to be marketed since 1926.

Phoenix Molybdenite Corporation has an authorized capitalization of $500,000 in $1 par value shares of which approximately 370,000 shares are outstanding.

LAKE SHORE MINE ANNOUNCES BONUS; YEAR TOTAL $2.50

Next Quarterly Payment to Be 50 Cents Plus Bonus of 50 Cents

Lake Shore Mines has announced the regular quarterly dividend of 50 cents per share, and in addition a bonus of 50 cents per share, payable on December 15, to shareholders of record, December 1.

This quarterly dividend disbursement will be equivalent to 100 per cent of the authorized par value of the stock and will bring the total distribution made in the current calendar year to $2.40 per share, or $2.50 per share annual rate for the current fiscal year.

The action of the Lake Shore directors in increasing the dividend distribution by way of a bonus comes as no great surprise as it is known that earnings have been substantially increased in past months and it has been the policy of the company in the past to distribute its profits to shareholders as earned.

The dividend rate prevailing in the fiscal year ended June 30 last, was 30 cents per share quarterly, with bonuses that brought the total distribution up to $1.80. The last distribution on September 15, was 50 cents per share, placing the stock on a basis of $2 annually. It has been the policy of the company for the past several years to pay a bonus along with the regular distribution at least once a year. This bonus together with the rate prevailing is generally the cue for the increased rates to follow and the dividend just announced has proven no exception. It comes a little earlier, however, than expected and reflects a desire by officials to give shareholders the benefit of the current exchange situation between Canada and the United States.

Last week, Harry Oakes, president of the company, intimated that while the dividends would be distributed in Canadian funds, that a bonus might be paid that would more than compensate shareholders for the prevailing exchange rates. Since Lake Shore is not listed on the New York Stock Exchange, it is not obliged to pay this dividend distribution in New York funds, but the bonus indicates that the company intends to pass along to its shareholders any benefit accruing from the exchange premiums.

Lake Shore sold down to $20 per share in last week's trading, which on the basis of the new dividend rate would give it a yield of 12½ per cent. Current market prices around $25 per share places the stock on a 10 per cent yield basis.

Canada Cement Closes National Plant For Winter

From Our Own Correspondent

MONTREAL.—Reports that Canada Cement Co. has closed its National Cement Co. plant in Montreal East are only partly true. Manufacturing operations have been discontinued for the winter months but a staff of about 100 men has been retained to care for shipping and general warehouse work.

It is stated that it is not unusual to close the plant at this time, while it is pointed out that this unit worked steadily all last winter to relieve unemployment. The consequence has been that inventories have shown a tendency to pile up and it is the intention of the company to liquidate this stock before resuming manufacturing operations.

CANADIAN ENTERPRISES LIMITED
Developing Gold Properties
Keefer Bldg. — Montreal

Southern Lowery No. 3 Tests 200 bbls. Daily

Official production tests from Southern Lowery's No. 3 well in Turner Valley indicate a flow of around 200 barrels of crude naphtha daily.

This well blew in about two weeks ago with a gas flow officially estimated at 18,000,000 cubic feet. This gives Southern Lowery three producing wells. In August, the combined production from the No. 1 and 2 wells was 4,645 barrels, an average of approximately 150 barrels per day.

GOLD MINING HELD IN HIGH ESTEEM BY U.S. BANKERS

Right About Face Attitude Now Apparent as Industry Forges Ahead

That gold mines, which were frowned upon by most of the important banking institutions a few years ago, have greatly improved their prestige with that financial group, is evidenced by a recent article in the "American Banker."

Reference is made in the article to the unparalleled search that is being made for gold by exploration in new areas, deeper exploration of the producers and the rehabilitation of old properties. As an explanation of this article the following is given:

The reason is simple. In times of depression there is no better investment than gold. Its value gradually increases in direct proportion to the fall in prices of various commodities. In other words, a quantity of the metal now will purchase 35 per cent to 40 per cent more goods than it could have several years ago.

Because of its importance as a money basis in major countries of the world, the gold question has excited much comment in banking quarters. Currency of several countries has been impaired by dwindling gold reserves.

One school of thought claims that if there was enough gold in the world to finance the greatest stock market boom in history, there certainly is enough to finance legitimate business now with credit values deflated as much as 75 per cent. On the other hand, equally responsible economists point to prospects of a gradual decline in production. If the metal is only sufficient now, it will not be in the future, provided business continues to increase in scope. Many countries now are suffering from a lack of gold, which they could use for a base to expand their credit facilities. This country and France have more than enough for their current needs, about 65 per cent of the world's monetary metal now being in the vaults of the Bank of France and the Federal Reserve system. These gains appear to be at the centre of the present controversy. Deeper causes than mere greed, account for the large accumulation. The last three years have seen gains in gold holdings by United States, France, Belgium, Sweden and Switzerland, and losses by the South American countries, Japan and Australia. The losses by the latter group appear to be because of increases in foreign indebtedness, larger importations and price changes.

Production of the metal since the discovery of America, has amounted to 1,112,382,410 ounces, of which more than half has been produced during the twentieth century. Output in 1882 amounted to slightly under five million ounces. Since then, production steadily increased until 1915, when it amounted to 22,718,154 ounces. After dipping to 15,467,223 ounces in 1922, output increased nearly 25 per cent to 20,191,478 ounces in 1930. Production for the current year is slightly in excess of the 1930 figures.

McKINLEY MINES REPORTS DEFICIT TOTALING $28,933

Investments Written Down Accounts For Main Loss; Expenses Down

Annual report of McKinley Mines Securities Co., for the year ended December 31 last, showed a net loss, after write-offs, of $28,933 as compared with a loss of $41,794 in the previous year.

Total income was $22,754 made up of $20,341 from dividends on investments, and $2,403 on interest and exchange. Total operating expenses were $6,551, a decrease from $15,808 the previous year. In addition there was a write-off, being a loss on investments, amounting to $45,136. In the previous fiscal year, loss on investments caused a write-off of $54,701.

The balance sheet showed current assets of $486,570, including $28,557 in cash, $2,250 in dividends receivable, and shares in other companies valued at $455,763, which had a market value on April 4, 1931, of $485,000. Current liabilities totalled $8,603, leaving a net working capital of $477,967, equivalent to 85 cents per share on each of the 561,931 $1 par value shares outstanding.

ANCHORITE GOLD DEWATERING MINE MORE ORE FOUND

Deed to Property Secured from English Company, $27,000 Owing

The Anchorite gold mine in the Porcupine district, Ontario, has been dewatered to a depth of 300 feet and operations have been resumed toward blocking out ore encountered on the 200 foot level.

It will be recalled that this property was acquired at a liquidator's sale last year, following the bankruptcy of the Porcupine Gold Fields Development & Financing Co., of London, England. It was purchased by the Anchorite Holdings Co., controlled by a Buffalo group associated with March Gold, at a cost of $80,000, all of which has been paid with the exception of $27,000. A deed is now held on the property by the new group. The mine is equipped with a 250-ton daily capacity mill, which started into production in June, 1926, and operated through the ensuing years till early in 1930 when operations were suspended through the failure of the parent company.

The mine has been developed to a depth of 600 feet and while operations in the past have not met expenses, it is believed that the possibilities of the property have not been exhausted as far as ore is concerned, and that with improved operating conditions a profit may result.

FAVORABLE AREA FOR PROSPECTING IN N.-E. MANITOBA

Govt. Geologist Finds Oxford Lake District Holds Promise

The geological conditions of an area, several hundred square miles in extent, in the Oxford Lake district of north-eastern Manitoba, appear favorable for future prospecting for gold, according to Dr. J. F. Wright, of the geological survey, department of mines, Ottawa, who has just completed a season's work in that area.

Several years ago some fairly important mineral discoveries were made on the borders of Oxford lake and the past season's work was undertaken to study the mineral bearing formations south and east of Oxford lake in the vicinity of God's lake. In connection with field activities in northern Manitoba, Dr. Wright states that a number of prospectors were busy this year in the area north of The Pas and that discoveries have been made in this large field.

International Nickel Issues News Letter

The International Nickel Co. is publishing a house organ entitled "White Metal News Survey," dealing with the activities and development in the nickel and nickel alloy trade.

The publication is devoted to news concerning white metals and nickel alloys. It is to be published six or twelve times a year, depending upon the availability of news matter.

The initial copy gives interesting information regarding the various applications of nickel and its alloys. Platinum, of which International Nickel is one of the world's largest producers, also comes in for a corner in the new publication.

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